

09-17-2003

ASS:



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MARK OFFICE
VER SHEET FOR TRADEMARKS
B

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

1. Name of conveying party(ies): 9-15-03

James J. Patti
100 Linton Boulevard East
Delray Beach, Florida

Individual(s) Association
 General Partnership Limited Partnership
 Corporation Other
(State of)

2. Name and address of receiving party(ies):

Whitlock Packaging Corporation
6120 South Yale, Suite 1250
Tulsa, Oklahoma 74136

Individual(s) Association
 General Partnership Limited Partnership
 Corporation Other
(State of)

If assignee is not described in the United States, a domestic representative designation is attached: Yes No
(Designation must be a separate document from Assignments)

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

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

3. Nature of Conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date: June 26, 2003

4. Application Nos. or Registration Nos.

A. Trademark Application No.(s) 75/935,855
Additional Numbers Attached? Yes No

B. Trademark Registration No.(s)
Additional Numbers Attached? Yes No

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

Mark G. Kachigian
Head, Johnson & Kachigian
228 West 17th Place
Tulsa, Oklahoma 74119

6. Total number of applications/registrations involved: 1

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

Enclosed
 Authorized to be charged to deposit account
 Any fees, charges or credits necessary during the prosecution of this application may be charged to the deposit account of the undersigned, No. 08-1500, unless otherwise notified.

8. Deposit account number:

(Attached duplicate copy of this page if paying by deposit account)

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Mark G. Kachigian
Name of Person Signing

[Signature]
Signature

September 11, 2003
Date

2003 SEP 15 PM 9:24
COMMUNICATIONS

09/16/2003 LNUELLER 00000276 75935855

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40.00 00

SECURITY AGREEMENT

AGREEMENT dated June 26, 2003, between **JAMES J. PATTI** whose address is 100 Linton Boulevard East, Delray Beach, Florida (the "Debtor") and **WHITLOCK PACKAGING CORPORATION** whose address is 6120 South Yale, Suite 1250, Tulsa, Oklahoma 74136 (the "Secured Party").

1. **OBLIGATION TO PAY.** The Debtor concurrently with the execution and delivery of this Agreement, has executed a Promissory Note to Secured Party in the amount of **SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00)**.

2. **COLLATERAL.** The Debtor desires to enter into this Agreement for the purpose of creating a security interest in favor of the Secured Party that certain trademark styled as "**X ADE XTREME THIRST QUENCHER GET IT BACK!**", federal serial number 75935855 and/or any variations thereof and all accompanying good will (hereinafter the "Collateral"), together with all products, proceeds of, and all replacements of the Collateral whether now owned or hereafter acquired.

3. **CREATION OF SECURITY INTEREST.** The Debtor, in order to secure payment of the debt evidenced by the Promissory Note, including renewals and extensions thereof; all costs and expenses incurred in collection of the Promissory Note; and hereby creates in favor of the Secured Party a security interest in the Collateral.

Until default hereunder, the Debtor shall be entitled to ownership and possession of the Collateral and to use and enjoy the same.

4. **DEBTOR'S WARRANTIES AND AGREEMENTS.** The Debtor warrants and agrees that:

(a) **Title.** The Collateral is or will be owned by the Debtor upon the payment of the settlement payment required to be made under the Settlement Stipulation and is not subject to any additional security interest except that created by this Agreement, or to any liens or encumbrances, and the Debtor will defend the Collateral against the claims and demands for all persons.

(b) **Release of Collateral.** The Debtor agrees to use the funds paid under the Promissory Note to pay the settlement payment as required under the Settlement Stipulation, and once the settlement payment is made, to obtain the release of the collateral from the security interest held by *Extreme Holdings, Inc.*

(c) Transfer. The Debtor will not sell, exchange, lease, encumber or pledge the Collateral, create any security interest therein (except that created by this Agreement), or otherwise dispose of the Collateral or any of the Debtor's rights therein or under this Agreement without the prior written consent of the Secured Party.

(d) Liens. The Debtor will not permit any other security interest to attach to any of the Collateral, permit the Collateral to be levied upon under any legal process, or permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded by this Agreement.

(e) Filings. The parties hereby agree to execute such additional documents and filings and to undertake all such additional actions as may be reasonably necessary or appropriate to consummate the actions described herein. The Secured Party is hereby appointed the Debtor's attorney-in-fact to do all acts and things which the Secured Party may deem necessary to perfect and continue perfected the security interest created by this Agreement and to protect the Collateral.

(f) Place of Business. The Debtor will promptly notify the Secured Party of any change in the location of any place of business and of the establishment of any new place of business.

5. **DEFAULT AND REMEDIES**. In the event of default in the payment of the debt referred to in paragraph 1, or if any of the warranties of the Debtor shall prove to be false or misleading; or if the Debtor shall become insolvent or shall be adjudicated bankrupt, or shall make an assignment for the benefit of creditors; or if bankruptcy, insolvency, reorganization, arrangement, debt adjustment, or liquidation proceedings, or receivership proceedings in which the Debtor is alleged to be insolvent or unable to pay its debts as they mature, shall be instituted by or against the Debtor, and the Debtor shall consent to the same or admit in writing the material allegations of the petition filed in such proceedings, or such proceedings shall not be dismissed within 60 days after their institution; then, upon the occurrence of any of the above events, the Secured Party may declare the unpaid balance of the debt and all advances, expenditures, and liabilities immediately due and payable without demand or notice, and the Secured Party may enter judgment on such Promissory Note or otherwise reduce such debt, advances, expenditures, and liabilities to judgment, and in addition proceed to exercise one or more of the rights accorded by the Uniform Commercial Code in force in the State of Florida at the date of this Agreement. It is understood and agreed that this Agreement has been made and entered into pursuant to the Uniform Commercial Code and that the Secured Party has all the rights and remedies accorded thereby. If any provisions of this Agreement shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid or unenforceable provision had never been contained in this Agreement.

6. **BENEFIT.** The rights and privileges of the Secured Party under this Agreement shall inure to the benefit of its successors and assigns. All covenants, warranties, and agreements of the Debtor contained in this Agreement are joint and several and shall bind personal representatives, heirs, successors, and assigns.

WITNESS the execution hereof the day and year first above written.

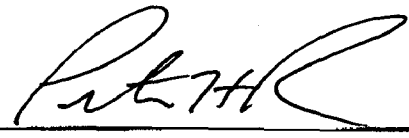
"DEBTOR"



JAMES J. PATTI

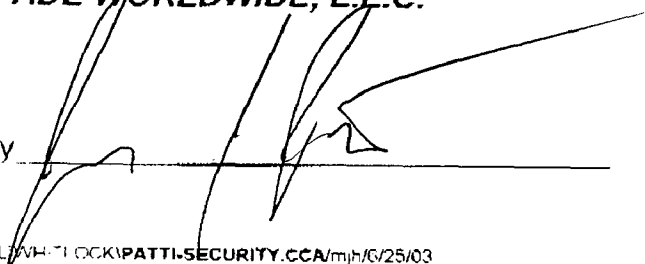
"SECURED PARTY"

WHITLOCK PACKAGING CORPORATION

By 

AGREED AND ACCEPTED:

X-ADE WORLDWIDE, L.L.C.

By 

JPL/WHITLOCK/PATTI-SECURITY.CCA/mjh/G/25/03