

Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (exp. 6/30/2005)

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

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

REEL NEAT SYSTEMS, INC.

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

Citizenship (see guidelines) _____

Execution Date(s) August 26, 2004

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: BANCFIRST

Internal

Address: _____

Street Address: 101 N. Broadway Ave.

City: Oklahoma City

State: Oklahoma

Country: U.S.A. Zip: 73126-0788

- Association Citizenship _____
- General Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship Oklahoma
- Other _____ Citizenship _____

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,318,574

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

REEL-O-MATIC

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

Name: David M. Sullivan, Esq.

Internal Address: Suite 1800

Street Address: 20 North Broadway

City: Oklahoma City

State: Oklahoma Zip: 73102

Phone Number: 405-234-3236

Fax Number: 405-272-5926

Email Address: sullivad@crowedunleavy.com

6. Total number of applications and registrations involved:

14

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 365.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers 2025
Expiration Date 05/2006

b. Deposit Account Number 13-0110
Authorized User Name David M. Sullivan

9. Signature:

Signature

9/12/04

Date

David M. Sullivan

Name of Person Signing

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

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

700115923

TRADEMARK
REEL: 002940 FRAME: 0096

OP \$365.00 1318574

Schedule IRegistered U.S. Trademarks

<u>Registration No.</u>	<u>Mark</u>	
1.	1,318,574	REEL-O-MATIC
2.	1,449,272	THE REEL DEAL
3.	1,546,080	LONG RUN
4.	1,732,482	REEL-O-MATIC
5.	1,780,771	AUTOREEL
6.	1,826,744	REEL-O-TECH
7.	1,855,011	REEL-NEAT
8.	2,096,089	LENGTH-TRAC
9.	2,500,471	QUALITY REALLY SHOWS IN THE LONG RUN
10.	2,631,639	LONG RUN
11.	2,638,529	QUALITY REALLY SHOWS IN THE LONG RUN
12.	2,649,762	AUTOSPOOL
13.	2,659,838	THE REEL-MAGIC LIMITED LIFETIME WARRANTY
14.	2,743,603	THE REEL MAGIC LIMITED LIFETIME WARRANTY

**COLLATERAL ASSIGNMENT AND
SECURITY AGREEMENT (TRADEMARKS)**

THIS COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (TRADEMARKS) (this "Agreement"), is made August 26, 2004 by and between REEL NEAT SYSTEMS, INCORPORATED, an Oklahoma corporation, dba Reel-O-Matic, as successor-by-merger to Lakes Development Corporation, a Virginia corporation ("Debtor"), and BANCFIRST, an Oklahoma state bank ("Secured Party").

RECITALS

A. Debtor owns and uses certain trademarks and trademark licenses which are registered in, or applications for registration of which have been filed in, the United States Patent and Trademark Office, all as more fully described on Schedule I attached hereto and by reference made part hereof.

B. Pursuant to a certain Loan Agreement dated as of even date herewith between Debtor and RTS Realty, L.L.C., an Oklahoma limited liability company ("RLLC"; Debtor and RLLC, collectively, "Borrowers"), jointly and severally as borrowers, and Secured Party, as lender, Secured Party has agreed to establish (i) a term loan facility in favor of Debtor in the principal amount of \$1,810,000, (ii) a revolving line of credit facility in favor of Debtor in the maximum principal amount of \$550,000, and (iii) a term loan facility in favor of RLLC in the principal amount of \$920,000 (collectively, the "Loans"), each evidenced by promissory notes of even date in the respective principal amounts thereof (as amended, modified, renewed or extended from time to time, collectively, the "Notes"), according to the terms and conditions therein described.

C. Debtor has entered into a Security Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"; capitalized terms used herein and not defined shall have the meanings ascribed to them in the Security Agreement) in favor of Secured Party.

D. Pursuant to the Security Agreement, Debtor has assigned, conveyed, mortgaged, pledged, hypothecated and transferred to Secured Party, all of Debtor's right, title and interest in and to, and granted to Secured Party a security interest in, the property described therein, including, without limitation, (a) all of Debtor's Trademarks (as herein defined), whether presently existing or hereafter acquired or arising, or in which Debtor now has or hereafter acquires rights and wherever located; (b) all of Debtor's Trademark Licenses (as herein defined), whether presently existing or hereafter acquired or in which Debtor now has or hereafter acquires rights and wherever located; and (c) all products and proceeds any of the foregoing, as security for all of the Obligations.

E. As a condition precedent to the extension of such financial accommodations pursuant to the Loan Agreement and in furtherance of the Security Agreement, including, without limitation, for purposes of perfecting the security interests granted therein, Secured Party

has required that Debtor grant to Secured Party a security interest in and a collateral assignment of the Property (as herein defined).

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. For purposes of this Agreement and in addition to terms defined elsewhere in this Agreement, the following terms shall have the meanings herein specified (such meaning to be equally applicable to both the singular and plural forms of the terms defined):

"Trademark License" means any written agreement now or hereafter in existence granting to Debtor any right to use any Trademark, including, without limitation, the agreements listed on Schedule I attached hereto.

"Trademarks" means all of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those listed on Schedule I attached hereto together with all the rights, benefits and privileges derived therefrom and the goodwill of the business symbolized thereby, (ii) all renewals thereof and (iii) all proceeds of the foregoing.

2. As security for all of the Obligations, Debtor hereby grants and conveys a security interest to Secured Party and collaterally assigns to Secured Party all of Debtor's right, title and interest in, to and under the following (collectively, the "Property"):

(a) Each Trademark now or hereafter owned by Debtor or in which Debtor now has or hereafter acquires rights and wherever located and the goodwill of the business of Debtor relating thereto or represented thereby, including, without limitation, each Trademark referred to in Schedule I hereto; and

(b) Each Trademark License now or hereafter held by Debtor or in which Debtor now has or hereafter acquires rights, to the extent each of the Trademark Licenses does not prohibit assignment or the granting of a security interest in the rights thereunder, and wherever located, including, without limitation, the Trademark Licenses, if any, referred to in Schedule I hereto; and

(c) All products and proceeds of the foregoing, including, without limitation, any claim by Debtor against third parties for past, present or future infringement of any

Trademark or breach of Trademark Licenses, if any, including, without limitation, any Trademark or Trademark License referred to in Schedule I hereto.

Unless and until Secured Party exercises the rights and remedies accorded to it under the Security Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, Secured Party hereby grants to Debtor the exclusive, nontransferable, royalty-free right and license under the Property for Debtor's own benefit and account, so that Debtor may use and enjoy the Property in connection with its business operations, and exercise rights and remedies with respect to the Property, but with respect to all Property being used in Debtor's business, only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property. Debtor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Debtor in this paragraph, except that Debtor may sublicense the Property in the ordinary course of Debtor's business but only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property. Upon the exercise by Secured Party of the rights and remedies accorded to it under the Security Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, the license granted under this paragraph to Debtor shall terminate.

3. Debtor does hereby further acknowledge and affirm that the representations, warranties and covenants of Debtor with respect to the Property and the rights and remedies of Secured Party with respect to the security interest in and collateral assignment of the Property made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. This Agreement shall terminate upon termination of the Security Agreement. At any time and from time to time prior to such termination, Secured Party may terminate its security interest in or reconvey to Debtor any rights with respect to any or all of the Property. Upon termination of this Agreement and following a request from Debtor, Secured Party shall, at the expense of Debtor, execute and deliver to Debtor all deeds, assignments and other instruments as Debtor may reasonably request (but without recourse or warranty by Secured Party) in order to evidence such termination.

5. If at any time before the termination of this Agreement in accordance with Section 4, Debtor shall obtain or acquire rights to any new Trademark or Trademark License, the provisions of Section 2 shall automatically apply thereto and Debtor shall comply with the terms of the Security Agreement with respect to such new Trademark or Trademark License. Debtor authorizes Secured Party to modify this Agreement by amending Schedule 1 to include any future Trademarks and Trademark Licenses covered by Section 2 or by this Section 5.

6. Debtor further agrees that (a) Secured Party shall have no obligation or responsibility to protect or defend the Property and Debtor shall, at its own expense, protect, defend and maintain the same in accordance with the terms and conditions set forth in the Security Agreement and in accordance with its prudent business judgment, (b) Debtor shall forthwith advise Secured Party promptly in writing upon detection of infringements of any of the

Property being used in Debtor's business and (c) if Debtor fails to comply with the requirements of the preceding clause (a), Secured Party may do so in Debtor's name or in its own name, but in any case at Debtor's expense, and Debtor hereby agrees to reimburse Secured Party for all expenses, including attorneys' fees, incurred by Secured Party in protecting, defending and maintaining the Property.

7. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF OKLAHOMA, EXCEPT TO THE EXTENT THAT PERFECTION (AND THE EFFECT OF PERFECTION AND NONPERFECTION) AND CERTAIN REMEDIES MAY BE GOVERNED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF OKLAHOMA.

8. One or more of the Loans herein referenced were made under a United States Small Business Administration (SBA) nationwide program that uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

(a) When SBA is the holder of the Note, this document and all documents evidencing or securing the applicable Loan will be construed in accordance with federal law.

(b) The Secured Party or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No borrower or guarantor may claim or assert against SBA any local or state law to deny any obligation of borrower, or defeat any claim of SBA with respect to the applicable Loan.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument.

[Signatures on following page]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed under seal by its duly authorized officers as of the date first above written.

REEL NEAT SYSTEMS, INCORPORATED, an Oklahoma corporation, dba Reel-O-Matic, successor by merger to Lakes Development Corporation, a Virginia corporation

Address:

6408 S. Eastern
Oklahoma City, Oklahoma
73149-5134

By: Robert Terry Simmons
Name: Robert Terry Simmons
Title: President

"Debtor"

BANCFIRST

Address:

101 N. Broadway Avenue
P.O. Box 26788
Oklahoma City, Oklahoma 73126-0788

By: Brian K. Renz
Name: Brian K. Renz
Title: Senior Vice President

"Secured Party"

Acknowledgments

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

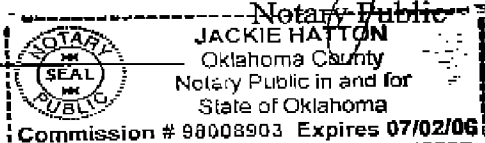
SS:

This instrument was acknowledged before me this 26th day of August, 2004, by Robert Terry Simmons, as President of Reel Neat Systems, Incorporated, an Oklahoma corporation, dba Reel-O-Matic.

Jackie Hatton

Commission No. _____
My Commission Expires: _____

(SEAL)



STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA)

SS:

This instrument was acknowledged before me this 26 day of August, 2004, by Brian K. Renz, as Senior Vice President of BancFirst, an Oklahoma state bank.

Darla A. Stephens
Notary Public

Commission No. 0200272
My Commission Expires:

(SEAL)

