

08-16-2004



102814132

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

8-12-04

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year
06 15 2004

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

OPR/FINANCE
2004 AUG 12 AM 7:24

08/13/2004 MGETACHE 00000016 78375703

FOR OFFICE USE ONLY

01 FC:8521 40.00 OP
02 FC:8522 375.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="78/375,703"/>	<input type="text" value="78/167,539"/>	<input type="text" value="78/405,873"/>	<input type="text" value="2,271,934"/>	<input type="text" value="2,447,971"/>	<input type="text" value="2,596,910"/>
<input type="text" value="76/349,434"/>	<input type="text" value="78/424,798"/>	<input type="text" value="78/356,897"/>	<input type="text" value="1,814,989"/>	<input type="text" value="2,522,012"/>	<input type="text" value="2,551,941"/>
<input type="text" value="76/364,745"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2,046,067"/>	<input type="text" value="2,206,092"/>	<input type="text" value="2,835,070"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Shahpar Shahpar, Reg.No. 45,875

8-10-04

Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (as amended, modified or otherwise supplemented from time to time, this "*Security Agreement*"), dated as of June 15, 2004, is executed by Ogio International, Inc., a Utah corporation (together with its successors and assigns, "*Debtor*"), in favor of the Secured Parties listed on the signature pages hereof (each a "*Secured Party*" and collectively, the "*Secured Parties*").

RECITALS

A. Debtor and each of the Secured Parties have entered into a Loan Agreement, and/or as provided therein may have entered into or may enter into other Loan Agreements (collectively the "*Loan Agreements*"), pursuant to which the Debtor will issue promissory notes (as amended, modified or otherwise supplemented from time to time, each a "*Note*" and collectively, the "*Notes*") in favor of the Secured Parties.

B. In order to induce the Secured Parties to extend the credit evidenced by the Notes, Debtor has agreed to enter into this Security Agreement and to grant to the Secured Parties a security interest in the Collateral described below.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Debtor hereby agrees with the Secured Parties as follows:

1. Definitions and Interpretation. When used in this Security Agreement, the following terms have the following respective meanings:

"Collateral" shall mean all of Debtor's tangible and intangible assets, personal properties and intellectual property of every kind and nature, including, without limitation, the intellectual property listed on Exhibit A attached hereto, other than the AK Assets (as defined in the Loan Agreement) to be sold by Debtor to AK (as defined in the Loan Agreement) in the AK Asset Sale (as defined in the Loan Agreement), whether presently existing or hereafter acquired, developed or arising, wherever the same may be located, together with all of the products and proceeds therefrom, including, without limitation, all equipment, inventory, contract rights, receivables, contract rights, royalties, license rights, accounts, certificates and chattel paper.

"Lien" shall mean, with respect to any property, any security interest, mortgage, pledge, lien, claim, charge or other encumbrance in, of, or on such property or the income therefrom, including, without limitation, the interest of a vendor or lessor under a conditional sale agreement, capital lease or other title retention agreement, or any agreement to provide any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or comparable law of any jurisdiction.

"Obligations" means all loans, advances, debts, liabilities and obligations, howsoever arising, owed by Debtor to the Secured Parties of every kind and description (whether or not evidenced by any note or instrument and whether or not for the payment of money), whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising under or pursuant to the terms of the Notes and this Security Agreement, including, all interest, fees, charges, expenses, attorneys' fees and costs and accountants' fees and costs chargeable to and payable by Debtor hereunder and thereunder, in each case, whether direct or indirect, absolute or contingent, due or to become due, and whether or not arising after the commencement of a proceeding under Title 11 of the United States Code (11 U.S.C. Section 101 et seq.), as amended from time to time (including post-petition interest) and whether or not allowed or allowable as a claim in any such proceeding.

"Person" shall mean and include an individual, a partnership, a corporation (including a business trust), a joint stock company, a limited liability company, an unincorporated association, a joint venture or other entity or a governmental authority.

"Permitted Liens" means (a) Liens for taxes not yet delinquent or Liens for taxes being contested in good faith and by appropriate proceedings for which adequate reserves have been established; (b) Liens in respect of property or assets imposed by law which were incurred in the ordinary course of business, such as carriers', warehousemen's, materialmen's and mechanics' Liens and other similar Liens arising in the ordinary course of business which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings; (c) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, and mechanic's Liens, carrier's Liens and other Liens to secure the performance of tenders, statutory obligations, contract bids, government contracts, performance and return of money bonds and other similar obligations, incurred in the ordinary course of business, whether pursuant to statutory requirements, common law or consensual arrangements; (d) Liens upon any equipment acquired or held by Debtor or any of its subsidiaries to secure the purchase price of such equipment or indebtedness incurred solely for the purpose of financing the acquisition of such equipment, so long as such Lien extends only to the equipment financed, and any accessions, replacements, substitutions and proceeds (including insurance proceeds) thereof or thereto; (e) Liens which constitute rights of setoff of a customary nature or banker's liens, whether arising by law or by contract; (f) Liens on insurance proceeds in favor of insurance companies granted solely as security for financed premiums; (g) leases or subleases and licenses or sublicenses granted in the ordinary course of Company's business; and (h) Liens provided to Wells Fargo Business Credit, Inc., Zions First National Bank or Richard McGillis (including Laurie M. Abramson and Roger McGillis) to secure senior indebtedness as referenced in the Loan Agreements, as well as Liens provided to Raymond Leasing Corporation, Citicapital Technology Finance, Inc., Zions Credit Corporation, and Farnam Street Financial, Inc.

"UCC" means the Uniform Commercial Code as in effect in the State of Utah from time to time.

Unless otherwise defined herein, all terms defined in the UCC have the respective meanings given to those terms in the UCC.

2. Grant of Security Interest.

(a) As security for the Obligations, Debtor hereby pledges and grants to Secured Parties a security interest in all right, title and interests of Debtor in and to the Collateral. Notwithstanding the foregoing, the security interest granted herein shall not extend to and the term "Collateral" shall not include (i) any equipment or other property financed by a third party, provided that such third party's Liens are Liens of the type described in subsection (e) of the definition of Permitted Liens ("*Financed Equipment*"), (ii) any equipment or other property financed by a third party to the extent that the contracts evidencing such lease or financing prohibit the granting by Debtor of any security interest therein, (iii) any property, rights or licenses to the extent the granting of a security interest would be contrary to applicable law, or (iv) the AK Assets.

(b) Debtor hereby irrevocably authorizes Secured Parties to file in any filing office in any UCC jurisdiction any initial financing statements and amendments thereto that (i) indicate the Collateral, and (ii) provide any other information required by part 5 of Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment. The parties acknowledge and agree that an initial financing statement covering the Collateral has been filed with the Utah Department of Commerce, Division of Corporations and Commercial Code and that this Security Agreement will be duly filed with the United States Patent and Trademark Office by Debtor following the date hereof. The parties further acknowledge that with respect to the portion of the Collateral which constitutes intellectual property, Secured Parties may desire to take additional steps or make additional filings with non-U.S. governmental authorities to perfect and maintain the priority of the lien hereof with respect to such intellectual property located outside of the United States of America or which is registered under the laws of a foreign jurisdiction. All such filings or steps shall be taken by Secured Parties after the date hereof, at the expense of Secured Parties and with the prior written consent of Debtor.

3. General Representations and Warranties. Debtor represents and warrants to the Secured Parties that (a) Debtor is the owner of the Collateral (or, in the case of after-acquired Collateral, at the time Debtor acquires rights in the Collateral, will be the owner thereof) and that no other Person has (or, in the case of after-acquired Collateral, at the time Debtor acquires rights therein, will have) any right, title, claim or interest (by way of Lien or otherwise) in, against or to the Collateral, other than Permitted Liens; (b) upon the filing of a UCC financing statement describing the Collateral and otherwise complying with the requirements of the UCC in the appropriate filing office, the Secured Parties will have (or in the case of after-acquired Collateral, at the time Debtor acquires rights therein, will have) a perfected security interest in the Collateral to the extent that a security interest in the Collateral can be perfected by such filing, subject to any Permitted Liens; (c) all Inventory has been (or, in the case of hereafter produced Inventory, will be) produced in compliance with all material requirements of applicable laws, including the Fair Labor Standards Act; (d) all accounts receivable and payment intangibles are genuine and enforceable against the party obligated to pay the same; (e) the originals of all documents evidencing all accounts receivable and payment intangibles of Debtor and the only original books of account and records of Debtor relating thereto are, and will continue to be, kept at the Debtor's principal place of business, presently located at the address of Debtor set forth below.

4. Covenants Relating to Collateral. Debtor hereby agrees (a) to perform all acts that may be necessary to maintain, preserve, protect and perfect the Collateral, the Lien granted to Secured Parties therein and the perfection and priority of such Lien, subject to any Permitted Liens and the provisions of Section 2(b) above; (b) not to use or permit any Collateral to be used (i) in violation in any material respect of any applicable law, rule or regulation, or (ii) in violation of any policy of insurance covering the Collateral; (c) to pay promptly when due all taxes and other governmental charges, all Liens other than Permitted Liens and all other charges now or hereafter imposed upon or affecting any Collateral; (d) without 15 days written notice to Secured Parties, (i) not to change Debtor's name or place of business (or, if Debtor has more than one place of business, its chief executive office), or the office in which Debtor's records relating to accounts receivable and payment intangibles are kept and (ii) not to change Debtor's state of incorporation; (e) to procure, execute and deliver from time to time any endorsements, assignments, financing statements and other writings reasonably deemed necessary or appropriate by a Secured Party to maintain and protect its Lien hereunder and the priority thereof and to deliver promptly upon the request of such Secured Party all originals of Collateral consisting of instruments, in each case subject to Section 2(b) above; (f) to appear in and defend any action or proceeding which may affect its title to or any Secured Party's interest in the Collateral; (g) if Secured Parties give value to enable Debtor to acquire rights in or the use of any Collateral, to use such value for such purpose; (h) to keep separate, accurate and complete records of the Collateral and to provide such records and such other reports and information relating to the Collateral as a Secured Party may reasonably request from time to time; (i) not to surrender or lose possession of (other than to Secured Parties), sell, encumber, lease, rent, or otherwise dispose of or transfer any Collateral or right or interest therein, and to keep the Collateral free of all Liens except Permitted Liens; *provided that* Debtor may sell, lease, transfer, license or otherwise dispose of any of the Collateral in the ordinary course of business consisting of (i) the sale of inventory, (ii) sales of worn-out or obsolete equipment, and (iii) both exclusive and non-exclusive licenses and similar arrangements for the use of the property of Debtor; (j) if requested by a Secured Party, to type, print or stamp conspicuously on the face of all original copies of all Collateral consisting of chattel paper a legend satisfactory to such Secured Party indicating that such chattel paper is subject to the security interest granted hereby; (k) to collect, enforce and receive delivery of the accounts receivable and payment intangibles in accordance with past practice until otherwise notified by a Secured Party; (l) to comply with all material requirements of law relating to the production, possession, operation, maintenance and control of the Collateral (including the Fair Labor Standards Act); and (m) to permit Secured Parties and their representatives the right, at any time during normal business hours, upon reasonable prior notice, to visit and inspect the properties of Debtor and its corporate, financial and operating records, and make abstracts therefrom, and to discuss Debtor's affairs, finances and accounts with its directors, officers and independent public accountants.

5. Covenants Regarding Intellectual Property. Debtor hereby agrees to perform all acts and execute all documents, including notices of security interest for each relevant type of intellectual property in forms suitable for filing with the Patent and Trademark Office or the Copyright Office, that may be necessary or desirable to record, maintain, preserve, protect and perfect the Secured Parties' interest in the Collateral and the Lien granted to the Secured Parties, in each case subject to the provisions of Section 2(b).

6. Litigation and Other Proceedings. Upon the occurrence and during the continuation of an Event of Default, each Secured Party shall have the right but not the obligation to bring suit or institute proceedings in the name of Debtor or such Secured Party to enforce any rights in the Collateral, including any license thereunder, in which event Debtor shall at the request of such Secured Party do any and all lawful acts and execute any and all documents reasonably required by such Secured Party in aid of such enforcement.

7. Default and Remedies.

(a) Default. Debtor shall be deemed in default under this Security Agreement upon the occurrence and during the continuance of an Event of Default.

(b) Remedies. Upon the occurrence and during the continuance of any such Event of Default, Secured Parties shall have the rights of a secured creditor under the UCC and all rights granted by this Security Agreement and by law, including the right to: (a) require Debtor to assemble the Collateral and make it available to the Secured Parties at a place to be designated by the Secured Parties; and (b) prior to the disposition of the Collateral, store, process, repair or recondition it or otherwise prepare it for disposition in any manner and to the extent the Secured Parties deem appropriate and in connection with such preparation and disposition, without charge, use any trademark, trade name, copyright, patent or technical process used by Debtor. Debtor hereby agrees that ten (10) days prior notice of any intended sale or disposition of any Collateral is reasonable. In furtherance of Secured Parties' rights hereunder, Debtor hereby grants to Secured Parties an irrevocable, non-exclusive license (exercisable without royalty or other payment by Secured Parties, but only in connection with the exercise of remedies hereunder) to use, license or sublicense any patent, trademark, trade name, copyright or other intellectual property in which Debtor now or hereafter has any right, title or interest together with the right of access to all media in which any of the foregoing may be recorded or stored.

(c) Application of Collateral Proceeds. The proceeds and/or avails of the Collateral, or any part thereof, and the proceeds and the avails of any remedy hereunder (as well as any other amounts of any kind held by Secured Parties at the time of, or received by Secured Parties after, the occurrence of an Event of Default) shall be paid to and applied as follows:

(i) First, to the payment of reasonable costs and expenses, including all amounts expended to preserve the value of the Collateral, of foreclosure or suit, if any, and of such sale and the exercise of any other rights or remedies, and of all proper fees, expenses, liability and advances, including reasonable legal expenses and attorneys' fees, incurred or made hereunder by Secured Parties;

(ii) Second, to the payment to each Secured Party of the amount then owing or unpaid on such Secured Party's Note, and in case such proceeds shall be insufficient to pay in full the whole amounts so due, owing or unpaid upon all of the Notes issued to the Secured Parties, then to the payment to each Secured Party of its Pro Rata Share (as defined below) of the amount remaining to be distributed (to be applied first to accrued interest and second to outstanding principal) pursuant to the Notes;

(iii) Third, to the payment of the surplus, if any, to Debtor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

For purposes of this Security Agreement, the term "*Pro Rata Share*" shall mean, when calculating a Secured Party's portion of any distribution or amount, that distribution or amount (expressed as a percentage) equal to a fraction (i) the numerator of which is the original outstanding principal amount of such Secured Party's Note and (ii) the denominator of which is the original aggregate outstanding principal amount of all Notes issued under the Loan Agreements. In the event that a Secured Party receives payments or distributions in excess of its Pro Rata Share, then such Secured Party shall hold in trust all such excess payments or distributions for the benefit of the other Secured Parties and shall pay such amounts held in trust to such other Secured Parties upon demand by such Secured Parties.

8. Miscellaneous.

(a) Notices. Except as otherwise provided herein, all notices, requests, demands, consents, instructions or other communications to or upon Debtor or Secured Parties under this Security Agreement shall be in writing and faxed, mailed or delivered to each party to the facsimile number or its address set forth on the signature page hereof (or to such other facsimile number or address as the recipient of any notice shall have notified the other in writing). All such notices and communications shall be effective (a) when sent by Federal Express or other overnight service of recognized standing, on the business day following the deposit with such service; (b) when mailed First Class Mail and addressed as aforesaid through the United States Postal Service, upon receipt; (c) when delivered by hand, upon delivery; and (d) when faxed, upon confirmation of receipt.

(b) Nonwaiver. No failure or delay on the part of Secured Parties in exercising any of their rights hereunder shall operate as a waiver thereof or of any other right nor shall any single or partial exercise of any such right preclude any other further exercise thereof or of any other right.

(c) Amendments and Waivers. This Security Agreement may not be amended or modified, nor may any of its terms be waived, except by written instruments signed by Debtor and the Secured Parties. Notwithstanding the foregoing, Debtor may add one or more additional parties as "Secured Parties" to this Agreement without the consent of the Secured Parties. Each waiver or consent under any provision hereof shall be effective only in the specific instances for the purpose for which given.

(d) Assignments. This Security Agreement shall be binding upon and inure to the benefit of the Secured Parties and Debtor and their respective successors and assigns; provided, however, that Debtor may not sell, assign or delegate rights and obligations hereunder without the prior written consent of the Secured Parties.

(e) Cumulative Rights, etc. The rights, powers and remedies of Secured Parties under this Security Agreement shall be in addition to all rights, powers and remedies given to Secured Parties by virtue of any applicable law, rule or regulation of any governmental authority, any Transaction Document or any other agreement, all of which rights, powers, and

remedies shall be cumulative and may be exercised successively or concurrently without impairing Secured Parties' rights hereunder. Debtor waives any right to require Secured Parties to proceed against any person or entity or to exhaust any Collateral or to pursue any remedy in Secured Parties' power.

(f) Payments Free of Taxes, Etc. All payments made by Debtor under the Transaction Documents shall be made by Debtor free and clear of and without deduction for any and all present and future taxes, levies, charges, deductions and withholdings. In addition, Debtor shall pay upon demand any stamp or other taxes, levies or charges of any jurisdiction with respect to the execution, delivery, registration, performance and enforcement of this Security Agreement. Upon request by a Secured Party, Debtor shall furnish evidence satisfactory to such Secured Party that all requisite authorizations and approvals by, and notices to and filings with, governmental authorities and regulatory bodies have been obtained and made and that all requisite taxes, levies and charges have been paid.

(g) Partial Invalidity. If at any time any provision of this Security Agreement is or becomes illegal, invalid or unenforceable in any respect under the law or any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

(h) Expenses. Debtor shall pay on demand all reasonable fees and expenses, including reasonable attorneys' fees and expenses, incurred by Secured Parties in connection with the custody, preservation or sale of, or other realization on, any of the Collateral or the enforcement or attempt to enforce any of the Obligations which is not performed as and when required by this Security Agreement.

(i) Construction. Each of this Security Agreement and the other Transaction Documents is the result of negotiations among, and has been reviewed by, Debtor, Secured Parties and their respective counsel. Accordingly, this Security Agreement and the other Transaction Documents shall be deemed to be the product of all parties hereto, and no ambiguity shall be construed in favor of or against Debtor or Secured Parties.

(j) Entire Agreement. This Security Agreement taken together with the other Transaction Documents constitute and contain the entire agreement of Debtor and Secured Parties and supersede any and all prior agreements, negotiations, correspondence, understandings and communications among the parties, whether written or oral, respecting the subject matter hereof.

(k) Other Interpretive Provisions. References in this Security Agreement and each of the other Transaction Documents to any document, instrument or agreement (a) includes all exhibits, schedules and other attachments thereto, (b) includes all documents, instruments or agreements issued or executed in replacement thereof, and (c) means such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified and supplemented from time to time and in effect at any given time. The words "hereof," "herein" and "hereunder" and words of similar import when used in this Security Agreement or any other Transaction Document refer to this Security Agreement or such other Transaction Document, as the case may

be, as a whole and not to any particular provision of this Security Agreement or such other Transaction Document, as the case may be. The words "include" and "including" and words of similar import when used in this Security Agreement or any other Transaction Document shall not be construed to be limiting or exclusive.

(l) Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Utah without reference to conflicts of law rules (except to the extent governed by the UCC).

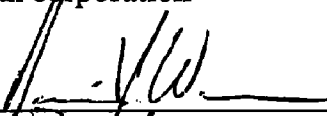
(m) Counterparts. This Security Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Security Agreement to be executed as of the day and year first above written.

COMPANY:

Ogio International, Inc.
a Utah corporation

By: 

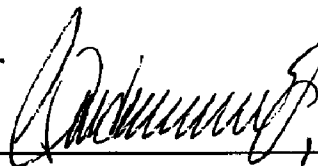
Title: President

Address: 14926 Pony Express Road
Bluffdale, Utah 84065

Fax Number: (801) 619-4111

SECURED PARTY:

Harlan Gardiner




Harlan Gardiner

Address: 2 Cross Gates
Short Hills, NJ 07078

Fax Number: () _____

COUNTERPART TO SECURITY AGREEMENT:

The undersigned hereby agrees to become a party to the Security Agreement dated as of June 15, 2004 by and between Ogio International, Inc. and Harlan Gardiner (the "Security Agreement") as a Secured Party (as defined in the Security Agreement) and agrees to be bound by the terms and conditions of the Security Agreement.



G. David Cartwright
Dated: July 14, 2004

EXHIBIT A TO SECURITY AGREEMENT

TRADEMARK REGISTRATIONS

<u>Mark</u>	<u>Country</u>	<u>Registration Number</u>	<u>Registration Date</u>
Ionik	U.S.	2,721,934	6/3/2003
Luck's Got Nothin' To Do With It	U.S.	2,447,971	5/1/2001
O'GIO w/Red Apostrophe	U.S.	2,596,910	7/23/2002
OGIO and Design	U.S.	1,814,989	1/4/1994 (renewed 4/22/2004)
OGIO Circle Logo	U.S.	2,522,012	12/25/2001
Peace Sign	U.S.	2,551,941	3/26/2002
RIG	U.S.	2,046,067	3/18/1997
STOMPER	U.S.	2,206,092	11/24/1998
SUBJECT	U.S.	2,835,070	4/20/2004
Ogio	European Union	1566827	3/21/2001
Ogio	Japan	4733784	12/12/2003
Ogio	Norway	198791	11/6/2001
Ogio	Singapore	T00/06623E	4/18/2000
Ogio	Singapore	T00/06624C	4/18/2000
Ogio	Singapore	T00/06625A	4/18/2000
Ogio	South Africa	2000/06577	2/27/2004
Ogio	South Africa	2000/06578	2/27/2004
OGIO	Canada	TMA571,623	12/3/2002
Peace Sign	Japan	4498445	8/10/2001
SUBJECT	Japan	4,733,784	4/11/2003

TRADEMARK APPLICATIONS

<u>Mark</u>	<u>Country</u>	<u>Application Number</u>	<u>Filing Date</u>
EXO	U.S.	78/375,703	2/27/2004
SHLING	U.S.	78/167,539	9/24/02 (allowed)
SLED	U.S.	78/405,873	4/21/04
SUBJECT	U.S.	76/349,434	12/14/01 (allowed)
TORQ STRAP	U.S.	78/424,798	5/25/04
VAPORLITE	U.S.	78/356,897	1/23/04
Miscellaneous Design (Subject Logo)	U.S.	76/364,745	1/30/02
Miscellaneous Design (Subject Logo)	Canada	4/3/5127	8/2/2002
Ogio	Argentina	2,496,194	2/19/2004
Ogio	Argentina	2,496,195	2/19/2004
Ogio	Argentina	2,496,196	2/19/2004
Ogio	Australia	991122	2/27/2004
Ogio	Brazil	n/a	4/29/2004
Ogio	Brazil	n/a	4/29/2004
Ogio	Brazil	n/a	4/29/2004
Ogio	Chile	n/a	In process
Ogio	China	n/a	In process
Ogio	India	1269243	2/27/2004
Ogio	Malaysia	2000/08012	6/20/2000
Ogio	Malaysia	2000/08013	6/20/2000
Ogio	Malaysia	2000/08014	6/20/2000
Ogio	Mexico	643642	2/25/2004
Ogio	Mexico	643641	2/25/2004
Ogio	Mexico	643640	2/25/2004
Ogio	New Zealand	708557	2/23/2004
Ogio	South Korea	n/a	In process
Peace Sign	European Union	3/20/7355	12/08/2000
Shling	European Union	003667268	2/17/2004
SUBJECT	Canada	1/21/5032	6/14/2002

PATENTS

UNITED STATES ISSUED PATENTS

<u>Title</u>	<u>Patent Number</u>	<u>Issue Date</u>
Golf Ball Holder	6357586	3/19/2002
Golf Bag Top Design	D442,783	5/29/2001
Rigid Golf Bag Dividers	6,109,433	8/29/2000
Golf Bag Carrying Apparatus	5,816,397	10/6/1998
Interengaging Handle Assembly	5,210,904	5/18/1993
Wristband and Integral Back of Hand Pad	4,809,366	3/7/1989
Container and retaining apparatus	5,722,574	3/3/1998
Utility bag	4,752,008	5/21/1988

UNITED STATES PATENT APPLICATIONS

<u>Title</u>	<u>Application Number</u>	<u>Filing Date</u>
Ergonomic Golf Bag Top and Club Separator	10/272,224	10/16/2002 (published)
Carrying Device for a Cartable Item Providing Single to Double Shoulder Support Transitioning	10/289,722	11/7/2002 (published)
Load Bearing Shoulder Frame Assembly / CIP	10/757,062	1/14/2004
Bag Carrying Device	10/818,458	4/5/2004
Pocket Closure Device	10/757,744	1/15/2004
Lockjaw	In process	
Two Piece Lockable Briefcase Handle	In process	