

10-25-2005

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

RE



5/26/05 RECO TR 103107047

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):

Ontario Corporation

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

Citizenship (see guidelines)

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Collins Investments, LLC

Internal

Address:

Street Address: 323 Freemans Lane

City: Franklin Lakes

State: New Jersey

Country: USA Zip: 07417

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other LLC

Citizenship USA
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)

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) May 11, 2005

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

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)

2642621, 2537788, 2804058, 2804055

Additional sheet(s) attached? Yes No

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

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

Name: Marc Press, Esq.

Internal Address: Cole Schotz

Street Address: 25 Main Street

POB 800

City: Hackensack

State: NJ 07601

Phone Number: 201-489-3000

Fax Number: 201-489-1536

Email Address:

6. Total number of applications and registrations involved:

4

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 40.00

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

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Roger Ontario Signature

May 24, 2005 Date

Roger Ontario Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 21

05/27/2005 DBYRNE 00000087 2642621

01 FC:8521

10/20/2005 DBYRNE 00000120 2642621

01 FC:8521
02 FC:8522

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

75.00 OP

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is made as of May 11, 2005, by and between Ontario Corporation, an Indiana corporation with a principal place of business at 9301 Innovation Drive, Suite 103, Daleville, Indiana 47334 ("Debtor"), and Collins Investments, LLC, a New Jersey limited liability company with a principal place of business at 323 Freemans Lane, Franklin Lakes, New Jersey 07417 ("Lender").

BACKGROUND

Lender has agreed to lend and Sherry Laboratories, Inc., Sherry Laboratories Midstates, Inc., and Jalabs, Inc. (collectively, "Borrowers") have agreed to borrow Six Million Five Hundred Thousand and 00/100 (\$6,500,000.00) Dollars (the "Loan") on the terms and conditions provided in that certain Loan and Security Agreement of even date herewith by and among Borrowers and Lender (the "Loan Agreement") and the Loan Documents (as defined in the Loan Agreement) executed in connection therewith. Borrowers have executed and delivered to Lender, among other things, that certain Promissory Note of even date herewith (the "Note") evidencing the Loan. Debtor has agreed to guaranty the Borrowers' indebtedness under the Note, the Loan Agreement and the Loan Documents to the Lender on the terms and conditions provided in that certain Corporate Guaranty of even date herewith from Debtor in favor of Lender (the "Guaranty"). To secure the Debtor's obligations under the Guaranty and the Borrower's indebtedness under the Note, the Loan Agreement and the Loan Documents, Debtor has agreed to execute in favor of Lender this Intellectual Property Security Agreement (as amended, modified, restated or supplemented from time to time, the "Security Agreement").

NOW, THEREFORE, in consideration of the above premises, Debtor and Lender hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Loan Agreement shall have their defined meanings when used herein and the following terms shall have the following meanings, unless the context otherwise requires:

"Code" shall mean the Uniform Commercial Code as the same may from time to time be in effect in the State of New Jersey.

"Collateral" shall have the meaning assigned to it in Section 2 of this Security Agreement.

“Copyrights” shall mean all registered copyrights and pending applications for copyrights of the Debtor that are used by the Borrowers in connection with the operation of the Borrowers’ business now or in the future, including, without limitation, each of the Copyrights shown in the attached Schedule A, and those copyrights which are hereafter adopted or acquired by Debtor and subsequently used by the Borrowers, and all right, title and interest therein and thereto, and all applications, continuing applications, reissues and re-examinations thereof, including, without limitation, applications, registrations and recordings in the Library of Congress Copyright Office or in any similar office or agency of the United States, any State thereof, and any foreign country all whether now owned or hereafter acquired by Debtor, and all goodwill associated with the foregoing.

“Event of Default” shall mean an event of default under the Guaranty.

“Intellectual Property” shall mean collectively, the Copyrights, Patents and Trademarks.

“Licenses” shall mean any license by and between the Debtor and its affiliates and subsidiaries or by and between the Debtor and any independent third party relating to any Intellectual Property, whether written or unwritten, including, without limitation those licenses for use of all or any portion of the Intellectual Property set forth in the attached Schedule D.

“Obligations” shall mean all present and future indebtedness, obligations, and liabilities of the Borrowers, the Debtor, Victor P. Smith, an individual, and/or Van P. Smith, an individual (each a “Loan Party”), to the Lender, whether or not the right of payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured, unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any proceeding referred to in Section 7(d) of the Loan Agreement. Without limiting the generality of the foregoing, the Obligations of each Loan Party under the Loan Documents include (a) the obligation to pay principal, interest, charges, expenses, fees, attorneys’ fees and disbursements, indemnities and other amounts payable by such Loan Party under the Loan Documents, and (b) the obligation of such Loan Party to reimburse any amount in respect of any of the foregoing that the Lender (in its sole discretion) may elect to pay or advance on behalf of such Loan Party.

“Patents” shall mean the United States and international patents and patent applications of the Debtor that are used by the Borrowers in connection with the operation of the Borrowers’ business now or in the future, including, without limitation, each of the Patents shown in the attached Schedule B and those United States and international patents which are hereafter applied for or acquired by Debtor and

subsequently used by the Borrowers, and all right, title and interest therein and thereto, and all applications, continuing applications, reissues and re-examinations thereof, including, without limitation, applications and registrations in the United States Patent and Trademark Office or in any similar office or agency of the United States, and State thereof and any foreign country, all whether now owned or hereafter acquired by Debtor and all goodwill associated with the foregoing.

"Proceeds" shall have the meaning assigned to it under Section 9-102(64) of the Code, and in any event, shall include, but not be limited to, (i) any and all proceeds of any insurance, indemnity, warranty or guarantee payable to Debtor from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority), and (iii) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Security Agreement" shall mean this Intellectual Property Security Agreement, as the same may from time to time be amended, restated, modified or supplemented.

"Trademarks" shall mean the registered trademarks and pending applications of the Debtor that are used by the Borrowers in connection with the operation of the Borrowers' business as conducted now or in the future, including, without limitation, each of the Trademarks shown in the attached Schedule C, and those trademarks which are hereafter adopted or acquired by Debtor and subsequently used by the Borrowers, and all right, title and interest therein and thereto, and all applications, continuing applications, reissues and re-examinations thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, and any foreign country all whether now owned or hereafter acquired by Debtor, and all goodwill associated with the foregoing.

2. Grant of Security Interest. As security for the prompt payment of all Obligations, Debtor hereby grants and conveys to Lender a security interest in and to (a) the entire right, title and interest of Debtor in and to the Intellectual Property, including the registrations and applications appurtenant thereto, listed in Schedule A, B and C, respectively, hereto (as the same may be amended pursuant hereto from time to time), and in and to any and all Intellectual Property, and registrations and applications appurtenant thereto, hereafter acquired or filed by Debtor, including without limitation all renewals thereof, all proceeds of infringement suits, the rights to sue for past, present and future infringements and all rights corresponding thereto in the United States and any

foreign country and the goodwill of the business to which the Intellectual Property relates, and (b) all of Debtor's right, title and interest in, to and under the following:

(i) all Licenses;

(ii) all Accounts and General Intangibles (as such terms are defined in the Code) arising under or relating to each and every License (including, without limitation, (A) all moneys due and to become due under any License, (B) any damages arising out of or for breach or default in respect of any such License, (C) all other amounts from time to time paid or payable under or in connection with any such License, and (D) the right of Debtor to terminate any such License or to perform and to exercise all remedies thereunder); and,

(iii) to the extent not otherwise included, all Proceeds and products of any or all of the foregoing. All of the property referred to in this paragraph 2 is hereinafter collectively called the "Collateral."

3. Representations and Warranties. Debtor covenants and warrants that as of the date of this Security Agreement:

(a) The Copyrights on Schedule A are all the United States and international copyrights applied for, obtained or acquired by Debtor as of the date hereof that are used by the Borrowers in connection with the operation of their business.

(b) The Patents listed on Schedule B hereto are all the United States and international patents applied for, obtained or acquired by Debtor as of the date hereof that are used by the Borrowers in connection with the operation of their business.

(c) The Trademarks on Schedule C hereto are all the United States and international trademarks applied for, obtained or acquired by Debtor as of the date hereof that are used by the Borrowers in connection with the operation of their business.

(d) None of the Intellectual Property has been adjudged invalid or unenforceable in whole or in part.

(e) Each of the Copyrights is valid and enforceable.

(f) Each of the Patents is valid and enforceable.

(g) Each of the Trademarks is valid and enforceable.

(h) To best of Debtor's knowledge, there is no outstanding claim that the use of any of the Intellectual Property violates or infringes upon the rights of any third person.

(i) Except as set forth on Schedule A with respect to the Copyrights, Schedule B with respect to the Patents and Schedule C with respect to the Trademarks attached hereto, Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Intellectual Property, and such Intellectual Property is free and clear of any liens, charges and encumbrances (including without limitation pledges, assignments, licenses, shop rights and covenants by the Debtor not to sue third persons), except for the Licenses.

(j) Debtor is a corporation duly organized, validly existing and in good standing under the laws of the State of Indiana.

(k) Debtor has the full power and authority to enter into this Security Agreement and perform its terms. This Security Agreement is the legal, valid and binding obligation of the Debtor, enforceable against the Debtor in accordance with its terms. The execution of this Security Agreement has been duly authorized by all necessary corporate action.

(l) Debtor has used, and will continue to use for the duration of this Security Agreement, proper statutory notice, where appropriate, in connection with its use of the Intellectual Property.

4. Intentionally Omitted.

5. New Intellectual Property. (a) If, before the Loan shall have been paid in full and the Loan Agreement shall have been irrevocably terminated, Debtor shall obtain rights to any new Intellectual Property, the provisions of paragraph 2 shall automatically apply thereto and Debtor shall give Lender prompt written notice thereof. (b) Debtor grants Lender a power-of-attorney, irrevocable so long as the Loan is outstanding or the Loan Agreement is in existence, to modify this Security Agreement by amending Schedules A, B and C to include any future copyrights, patents and trademarks, including registrations or applications appurtenant thereto covered by this Security Agreement.

6. Covenants. Debtor covenants and agrees with Lender that from and after the date of this Security Agreement and until the Loan is fully and indefeasibly satisfied and the Loan Agreement shall have been irrevocably terminated:

(a) Further Documentation; Pledge of Instruments. At any time and from time to time, upon the written request of Lender, Debtor will promptly and duly execute and deliver any and all such further instruments and documents and take such

further action as Lender may reasonably deem desirable in obtaining the full benefits of this Security Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Code with respect to the liens and security interests granted hereby. Debtor also hereby authorizes Lender to file any such financing or continuation statement without the signature of Debtor to the extent permitted by applicable law. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be immediately pledged to Lender hereunder, duly endorsed in a manner satisfactory to Lender.

(b) Maintenance of Intellectual Property. Debtor will not do any act, or omit to do any act, whereby the Intellectual Property or any registration or application appurtenant thereto, may become abandoned, invalidated, unenforceable, avoided, avoidable, or will otherwise diminish in value, and shall notify Lender immediately if it knows of any reason or has reason to know of any ground under which this result may occur. Debtor shall take appropriate action at its expense to halt the infringement of the Intellectual Property and shall properly exercise its duty to control the nature and quality of the goods offered by any licensees in connection with the Licenses.

(c) Indemnification. (A) Debtor assumes all responsibility and liability arising from the use of the Intellectual Property, and Debtor hereby indemnifies and holds Lender harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys' fees) arising out of Debtor's operations of its business from the use of the Intellectual Property. (B) In any suit, proceeding or action brought by Lender under any License for any sum owing thereunder, or to enforce any provisions of such License, Debtor will indemnify and keep Lender harmless from and against all expense, loss or damage suffered by reason of any defense, set off, counterclaim, recoupment or reduction or liability whatsoever of the obligee thereunder, arising out of a breach of Debtor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from Debtor, and all such obligations of Debtor shall be and remain enforceable against and only against Debtor and shall not be enforceable against Lender.

(d) Limitation of Liens on Collateral. Debtor will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove any lien, security interest, encumbrance, claim or right, in or to the Collateral, and will defend the right, title and interest of Lender in and to any of Debtor's rights under the Licenses and to the Proceeds thereof against the claims and demands of all persons whomever.

(e) Limitations on Modifications of Licenses. Debtor will not (i) amend, modify, terminate or waive any provision of any License in any manner which might materially adversely affect the value of such License or the Intellectual Property as

Collateral, without the written consent of Lender, (ii) fail to exercise promptly and diligently each and every material right which it may have under each License (other than any right of termination), without the prior written consent of Lender, or (iii) fail to deliver to Lender a copy of each material demand, notice or document sent or received by it relating in any way to any License or Intellectual Property right.

(f) Notices. Debtor will advise Lender promptly, in reasonable detail of each of the following: (i) any lien or claim made or asserted against any of the Collateral, (ii) any material change in the composition of the Collateral, and (iii) the occurrence of any other event which would have a material adverse effect on the value of any of the Collateral or on the security interests created hereunder.

(g) Limitation on Further Uses of Intellectual Property. Debtor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license, or otherwise dispose of any of the Collateral, without prior written consent of Lender which consent shall not be unreasonably withheld, conditioned or delayed.

7. Lender's Appointment as Attorney-in-Fact.

(a) Debtor hereby irrevocably constitutes and appoints Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Debtor and in the name of Debtor or in its own name, from time to time in Lender's discretion, for the purposes of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement and, without limiting the generality of the foregoing, hereby gives Lender the power and right, on behalf of Debtor, to do the following:

(i) Upon the occurrence of an Event of Default, to ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any License and, in the name of Debtor or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any License and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such moneys due under any License whenever payable;

(ii) To pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Security Agreement and to pay all or any part of the premiums therefor and the costs thereof; and

(iii) Upon the occurrence of an Event of Default, (A) to direct any party liable for any payment under any of the Licenses to make payment of any and all moneys due and to become due thereunder directly to Lender or as Lender shall direct; (B) to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (D) to defend any suit, action or proceeding brought against Debtor with respect to any Collateral; (E) to settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Lender may deem appropriate; and (F) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do, at Lender's option all reasonable acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's security interest therein, in order to effect the intent of this Security Agreement, all as fully and effectively as Debtor might do.

This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the foregoing, Debtor further agrees to execute any additional documents which Lender may require in order to confirm this power of attorney, or which Lender may deem necessary to enforce any of its rights contained in this Security Agreement.

(b) The powers conferred on Lender hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Debtor for any act or failure to act, except for its own gross negligence or willful misconduct.

(c) Debtor also authorizes Lender to execute, in connection with the sale provided for in paragraph 10(b) of this Security Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

8. Execution of Power of Attorney. Concurrently with the execution and delivery hereof, Debtor is executing and delivering to Lender, in the form of Schedule E hereto, four (4) originals of a Power of Attorney for the implementation of the assignment, sale or other disposal of the Intellectual Property pursuant to paragraph 7 hereof. Such Power of Attorney shall be held in escrow by Lender until such time as (i) there occurs an Event of Default hereunder and Lender elects to exercise its remedies

under Section 10 hereof, or (ii) the payment in full of the Loan and termination of this Security Agreement.

9. Performance by Lender of Debtor's Obligations. If Debtor fails to perform or comply with any of its agreements contained herein and Lender, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the reasonable expenses of Lender incurred in connection with such performance or compliance shall be payable by Debtor to Lender on demand and shall constitute Obligations secured hereby.

10. Remedies, Rights Upon Event of Default.

(a) If an Event of Default shall occur:

(i) All payments received by Debtor under or in connection with any of the Collateral shall be held by Debtor in trust for Lender, shall be segregated from other funds of Debtor and shall forthwith upon receipt by Debtor, be turned over to Lender, in the same form as received by Debtor (duly indorsed by Debtor to Lender, if required); and

(ii) Any and all such payments so received by Lender (whether from Debtor or otherwise) may, in the sole discretion of Lender, be held by Lender as collateral security for, and/or then or at any time thereafter applied in whole or in part by Lender against all or any part of the Obligations in such order as Lender shall elect. Any balance of such payments held by Lender and remaining after payment in full of all the Obligations shall be paid over to Debtor or to whomsoever may be lawfully entitled to receive the same.

(b) If any Event of Default shall occur, Lender may exercise in addition to all other rights and remedies granted to it in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code or otherwise available at law. Debtor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Lender is entitled. Debtor shall also be liable for the reasonable fees of any attorneys employed by Lender to collect any such deficiency and also as to any reasonable attorney's fees incurred by Lender with respect to the collection of any of the Obligations and the enforcement of any of Lender's respective rights hereunder.

11. Termination. At such time as Debtor shall fully and indefeasibly pay and perform all of the Obligations (including payment in full of the Loan) and the Loan Agreement is terminated, this Security Agreement shall terminate and Lender shall execute and deliver to Debtor all such releases, deeds, assignments and other instruments

as may be necessary or proper to re-vest in Debtor full title to the Intellectual Property, subject to any disposition thereof which may have been made by Lender pursuant hereto.

12. Notices. Any notice or other communication required or permitted pursuant to this Security Agreement shall be deemed given (a) when personally delivered to any officer of the party to whom it is addressed, (b) on the earlier of actual receipt thereof or three days following posting thereof by certified or registered mail, postage prepaid, or (c) upon actual receipt thereof when sent by a recognized overnight delivery service or (d) upon actual receipt thereof when sent by telecopier to the number set forth below with telephone communication confirming receipt and subsequently confirmed by registered, certified or overnight mail to the address set forth below, in each case addressed to each party at its address set forth below or at such other address as has been furnished in writing by a party to the other by like notice:

If to Debtor: Ontario Corporation
9301 Innovation Drive, #103
Daleville, Indiana 47334
Attn: Van P. Smith, President
Fax #: (765) 378-4106

If to Secured Party: Collins Investments, LLC
323 Freemans Lane
Franklin Lakes, New Jersey 07417
Attn: Patrick Collins, Manager
Fax # 44-20-7090-6806

13. No Waiver. No course of dealing between Debtor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. Cumulative Remedies. All of Lender's rights and remedies with respect to the Collateral, whether established hereby or by the Loan Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

15. Severability. The provisions of this Security 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 Security Agreement in any jurisdiction.

16. No Modification Except in Writing. This Security Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraphs 5 and 7.

17. Successors and Assigns. The benefits and burdens of this Security Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. Governing Law. The validity and interpretation of this Security Agreement and the rights and obligations of the parties shall be governed by the laws of the State of New Jersey.

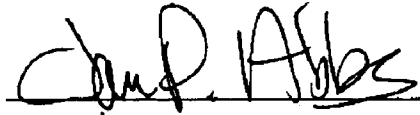
19. Counterparts, Telecopied Signatures. This Security Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which, taken together, shall constitute one agreement with the same effect as if the signatures thereon were upon the same instrument. Any signature delivered by a party by facsimile transmission shall be deemed an original signature hereto.

[remainder of page intentionally left blank]

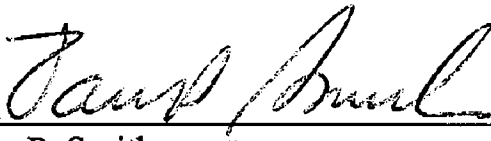
IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement under seal as of the day and year first above written.

ATTEST:

ONTARIO CORPORATION



Jan P. Abbas
Corporate Secretary

By: 

Name: Van P. Smith
Title: President

WITNESS

COLLINS INVESTMENTS, LLC

By: _____
Name: Patrick Collins
Title: Manager

IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement under seal as of the day and year first above written.


ATTEST:

ONTARIO CORPORATION

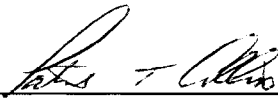
By: _____
Name: Van P. Smith
Title: President

WITNESS

COLLINS INVESTMENTS, LLC



JUAN CASH

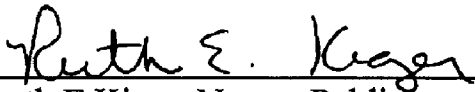
By: 

Name: Patrick Collins
Title: Manager

STATE OF INDIANA)
)
COUNTY OF DELAWARE)

ss:

Before me, the undersigned, on this 11th day of May, 2005, personally appeared Van P. Smith, to me known personally, and who being by me duly sworn, deposes and says that he is the President of Ontario Corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged said instrument to be the free act and deed of said corporation.



Ruth E Kiger, Notary Public

SCHEDULE A

COPYRIGHTS

Schedule A to Intellectual Property Security Agreement dated May 11, 2005, by and between Ontario Corporation and Collins Investments, LLC.

None

SCHEDULE B

PATENTS

Schedule B to Intellectual Property Security Agreement dated May 11, 2005, by and between Ontario Corporation and Collins Investments, LLC.

None

SCHEDULE C

TRADEMARKS

Schedule C to Intellectual Property Security Agreement dated May 11, 2005, by and between Ontario Corporation and Collins Investments, LLC.

<u>Reg. No or Application No.</u>	<u>Mark</u>	<u>Country</u>	<u>Filing Date</u>
2642621	SHERRY LABORATORIES	USA	October 29, 2002
2537788	TESTING TODAY PROTECTING TOMORROW	USA	February 12, 2002
2804058	ONTARIO SYSTEMS	USA	January 13, 2004
2804055	ONTARIO ((5) WORDS, LETTERS, AND/OR NUMBERS IN STYLIZED FORM)	USA	January 13, 2004

SCHEDULE D

LICENSES

With respect to the trademarks in Schedule C, Debtor has granted to Ontario Systems, LLC, an Indiana limited liability company, a non-exclusive license to use the Ontario Systems trademark and has granted to Ontario Systems, LLC and all Debtor's subsidiaries and affiliates, a non-exclusive license to use the Ontario words, letters, and/or numbers in stylized form.

SCHEDULE E

SPECIAL POWER OF ATTORNEY

STATE OF INDIANA)
)
COUNTY OF DELAWARE) ss:

KNOW ALL MEN BY THESE PRESENTS, that Ontario Corporation, a corporation formed under the laws of Indiana, with its principal office at 9301 Innovation Drive, Suite 103, Daleville, Indiana 47334 (hereafter called "Debtor"), pursuant to an Intellectual Property Security Agreement, dated the date hereof (as amended, modified, restated or supplemented from time to time, the "Security Agreement"), hereby appoints and constitutes Collins Investments, LLC, a New Jersey limited liability company with offices at 323 Freemans Lane, Franklin Lakes, New Jersey 07417 (hereafter called the "Lender"), its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of Debtor:

1. Assigning, selling or otherwise disposing of all right, title and interest of Debtor in and to the Copyrights listed on Schedule A of the Security Agreement, and including those copyrights which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to the foregoing, and to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;

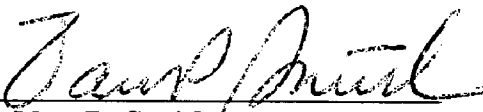
2. Assigning, selling or otherwise disposing of all right, title and interest of Debtor in and to the Patents listed on Schedule B of the Security Agreement, and including those patents which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to the foregoing, and to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;

3. Assigning, selling or otherwise disposing of all right, title and interest of Debtor in and to the Trademarks listed on Schedule C of the Security Agreement, and including those trademarks which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to the foregoing, and to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;

4. To execute any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Lender may in its sole discretion determine.

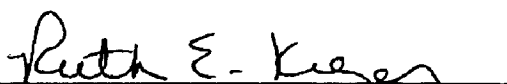
This power of attorney is made pursuant to the Intellectual Property Security Agreement, dated as of May 11, 2005, between Debtor and Lender and may not be revoked until the payment in full of all Obligations as defined in such Intellectual Property Security Agreement.

ONTARIO CORPORATION

By: 
Name: Van P. Smith
Title: President

STATE OF INDIANA)
) ss:
COUNTY OF DELAWARE)

On this 11th day of May, 2005, before me personally came Van P. Smith, to me known, who, being by me duly sworn, did depose and say that he is the President of Ontario Corporation, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.



Ruth E. Kiger, Notary Public
My commission expires 1/10/2007