

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Assignment of the entire interest and goodwill by Panelite, Inc. to The Frost National Bank DBA Frost Capital Group through an Event of Default by Panelite, Inc. under a loan as evidenced by Bill of Sale and Transfer Statement and exhibits		
CONVEYING PARTY DATA			
	Name	Formerly	Execution Date
	Panelite, Inc.		12/10/2009
			Entity Type
			CORPORATION: OKLAHOMA
RECEIVING PARTY DATA			
Name:	The Frost National Bank DBA Frost Capital Group		
Street Address:	2727 N. Harwood		
Internal Address:	10th Floor		
City:	Dallas		
State/Country:	TEXAS		
Postal Code:	75201		
Entity Type:	National Banking Association:		
PROPERTY NUMBERS Total: 1			
	Property Type	Number	Word Mark
	Registration Number:	3056816	PANELITE CUSTOM TRUCK ACCESSORIES
CORRESPONDENCE DATA			
Fax Number:	(405)553-2855		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	405-553-2810		
Email:	jdeligans@hallestill.com		
Correspondent Name:	Julianna P. Deligans		
Address Line 1:	100 NORTH BROADWAY		
Address Line 2:	SUITE 2900		
Address Line 4:	OKLAHOMA CITY, OKLAHOMA 73102		
ATTORNEY DOCKET NUMBER:	421278.01560		
NAME OF SUBMITTER:	Julianna P. Deligans		

OP \$40.00 3056816

900160218

TRADEMARK
REEL: 004190 FRAME: 0775

Signature:

/juliannapdeligans/

Date:

04/22/2010

Total Attachments: 57

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AFTER RECORDING RETURN TO:

THE FROST NATIONAL BANK,
a national banking association doing business as
FROST CAPITAL GROUP
2727 N. Harwood
Dallas, TX 75201
Attention: Terri Sandridge

**BILL OF SALE
AND TRANSFER STATEMENT**

WHEREAS, **PANELITE, INC.**, an Oklahoma corporation ("Debtor"), with an address at 616 N. MacArthur Blvd. Oklahoma City, OK 73127, executed and delivered to **THE FROST NATIONAL BANK**, a national banking association doing business as **FROST CAPITAL GROUP** ("Lender"), with an address at 2727 N. Harwood, 10th Floor, Dallas, TX 75201, the following:

(a) **PROMISSORY NOTE** dated as of **APRIL 28, 2008**, executed by Debtor and payable to the order of Lender (as amended, modified or restated from time to time, the "Note");

(b) **LOAN AGREEMENT** dated as of **APRIL 28, 2008** between Lender and Debtor (as amended, modified or restated from time to time, the "Agreement") (capitalized terms not otherwise herein defined shall have the same meaning as in the Agreement); and

(c) **SECURITY AGREEMENT** dated as of **APRIL 28, 2008** between Lender as secured party and Debtor as debtor (as amended, modified or restated from time to time, the "Security Agreement") and which Security Agreement is attached hereto as Exhibit A; and

(d) **TRADEMARK COLLATERAL SECURITY AGREEMENT** dated as of **APRIL 28, 2008**, executed by Debtor in favor of Lender (as amended, modified or restated from time to time, the "Trademark Security Agreement") and which Trademark Security Agreement was recorded in the records of the United States Patent and Trademark office at Reel 3776, Frame 0601; and

(e) **PATENT COLLATERAL SECURITY AGREEMENT** dated as of **APRIL 28, 2008**, executed by Debtor in favor of Lender (as amended, modified or restated from time to time, the "Patent Security Agreement") and which Patent Security Agreement was recorded in the records of the United States Patent and Trademark Office at Reel 020941, Frame 0153; and

(f) **FORBEARANCE AGREEMENT AND AMENDMENT TO LOAN DOCUMENTS** dated as of **JUNE 30, 2009** between Lender, Debtor, and **VELETA E. BARNHART**, an individual residing in the State of Oklahoma ("Guarantor") (as amended, modified or restated from time to time, the "Forbearance Agreement") and together with the Note, the Agreement, the Security Agreement, the Trademark Security Agreement, the Patent Security Agreement and all other agreements, instruments and documents evidencing, securing, governing, guaranteeing or pertaining to the Indebtedness (as defined below), collectively the "Loan Documents"; and

WHEREAS, the indebtedness evidenced by the Note (the "Indebtedness") is secured by certain liens in favor of Lender in substantially all of the personal property of Debtor as more fully described on Exhibit B attached hereto, including, but not limited to, certain intellectual property (together with all goodwill associated therewith) described on Exhibit C attached hereto (the "Intellectual Property Collateral") and together with the other personal property listed in Exhibit B, collectively the "Collateral");

WHEREAS, Lender is the present holder of the Indebtedness and such Indebtedness is secured by the Collateral; and

WHEREAS, by reason of certain actions or inactions of Debtor, one or more events of default have occurred and are continuing under the terms of the Loan Documents (collectively, the "Events of Default"); and

WHEREAS, by reason of such Events of Default, (a) Lender properly declared the Indebtedness to be due and owing pursuant to that certain Notice of Default and Acceleration, Demand for Payment, Demand for Assembly and Delivery of Collateral dated November 20, 2009 addressed to Debtor and Guarantor and attached hereto as Exhibit D (the "Default Notice"), and (b) pursuant to Section 9.611, Section 9.612, and Section 9.613 of the Tex. Bus. & Comm. Code and all other applicable provisions of law, Lender provided Debtor and all other persons to whom notice was required with proper notice of its intent to exercise its post-default remedies with respect to the Collateral; and

WHEREAS, Lender has exercised its post-default remedies with respect to the Collateral; and

WHEREAS, by reason of Lender's exercise of its post-default remedies with respect to the Collateral, Transferee (as defined below) has and does hereby acquire the rights of Debtor in the Collateral and did so pursuant to that certain Peaceful Possession Agreement dated February 11, 2010 among Lender, Debtor, and Guarantor and attached hereto as Exhibit E (the "Peaceful Possession Agreement");

NOW, THEREFORE, Lender, pursuant to the terms and conditions of the Loan Documents, Section 9.610 of the Tex. Bus. & Comm. Code, and all other applicable provisions of law, for and in consideration of the payment of the sum of **TEN AND NO/100 DOLLARS (\$10.00)** and other good and valuable consideration does hereby **GRANT, BARGAIN, CONVEY, SELL and TRANSFER** to **THE FROST NATIONAL BANK**, a national banking association doing business as **FROST CAPITAL GROUP** ("Transferee"), with an address at 2727 N. Harwood, 10th Floor, Dallas, TX 75201 and Transferee's successors and assigns, all of Debtor's right, title and interest in and to the Collateral (the "Property"), to have and hold, all and singular, the Property to Transferee, and Transferee's successors and assigns to Transferee's use forever.

TO HAVE AND TO HOLD the Property together with, all and singular, the rights and appurtenances thereto and in anywise belonging unto Debtor and its successors and assigns forever, and for and on behalf of Debtor, and its successors and assigns, Lender does hereby bind Debtor and its successors and assigns to warrant and forever defend, all and singular, the Property unto Transferee, its successors and assigns, against every person whomsoever lawfully claiming or to claim same or any part thereof.

Lender warrants that pursuant to Section 9.610 of the Tex. Bus. & Comm. Code that Lender has valid and enforceable lien on the Property and hereby delivers this Bill of Sale and Transfer Statement to the Property without warranty relating to title, possession, quiet enjoyment or the like in this disposition. No warranty or representation exists as to the merchantability or fitness for use or a particular purpose. **LENDER IS SELLING THE DESCRIBED PROPERTY ON AN "AS IS" AND "WHERE IS" BASIS AND DISCLAIMS ANY IMPLIED WARRANTIES WITH RESPECT TO SUCH PROPERTY.**

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EXHIBIT A

SECURITY AGREEMENT

SECURITY AGREEMENT

By

PANELITE, INC.

in favor of

**THE FROST NATIONAL BANK,
a national banking association,
doing business as
FROST CAPITAL GROUP**

Dated as of

April 28, 2008

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SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of April 28, 2008, is made by PANELITE, INC., an Oklahoma corporation ("Debtor"), in favor of THE FROST NATIONAL BANK, a national banking association, doing business as FROST CAPITAL GROUP, whose office address is at 1010 Lamar, Suite 700, Houston, Texas 77002 (herein called "Secured Party").

WITNESSETH

A. Debtor has requested Secured Party to make a loan or loans to or for the account of Debtor pursuant to that certain Loan Agreement by and between Debtor and Secured Party of even date herewith (as renewed, modified, amended or restated from time to time, the "Agreement");

B. Secured Party has conditioned its agreement to make such loan or loans under that certain Agreement upon Debtor's execution and delivery of this Security Agreement;

NOW, THEREFORE, to induce Secured Party to make a loan or loans to or for the account of Debtor, at the special instance of Secured Party, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Debtor hereby agrees with Secured Party, as follows:

ARTICLE I
GENERAL

Section 1.01 Certain Definitions. As used in this Security Agreement, the following terms shall have the respective meanings as indicated, unless the context otherwise requires:

"Accounts" shall have the meaning indicated in Subsection 2.01(a) of this Security Agreement.

"Agreement" shall have the meaning set forth in the Recitals hereto.

"Books and Records" shall mean all books, records, reports, memoranda, and/or data compilations, in any form (including, without limitation, corporate and other business records, customer lists, credit files, computer programs, printouts and any other computer materials and records), of Debtor pertaining to any of the Accounts, General Intangibles, Goods, and any other Property included in the Collateral.

"Code" shall mean the Uniform Commercial Code as presently in effect in the State of Texas, Texas Business & Commerce Code Annotated, Sections 1.101 through 11.108.

“Collateral” shall mean all Property, including without limitation, cash or other proceeds, in which Secured Party shall have a security interest pursuant to Section 2.01 of this Security Agreement.

“General Intangibles” shall have the meaning indicated in Subsection 2.01(b) of this Security Agreement.

“Goods” shall have the meanings indicated in Subsection 2.01(c) of this Security Agreement.

“Indebtedness” shall have the meaning given to such term in the Agreement.

“Instruments” shall have the meaning indicated in Subsection 2.01(e) of this Security Agreement.

“Intellectual Property Collateral” shall have the meaning indicated in Subsection 2.01(b)(ii) of this Security Agreement.

“Other Liable Party” shall mean any Person other than Debtor, primarily or secondarily liable for any of the Indebtedness or who grants Secured Party a lien upon and/or a security interest on any Property as security for any of the Indebtedness.

“Person” shall mean any individual, corporation, partnership, joint venture, limited liability company, association, joint stock company, trust, trustee, unincorporated organization, government or agency or court or political subdivision thereof, or any other form of entity.

“Property” shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Related Rights” shall mean all chattel papers, documents and instruments relating to the Accounts or General Intangibles and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Accounts or General Intangibles or any such chattel papers, documents and instruments.

“Security Agreement” shall mean this Security Agreement, as the same may from time to time be amended, supplemented, revised or restated.

Section 1.02 Terms Defined in Code. All terms used herein which are defined in the Code shall have the same meaning herein unless otherwise defined herein or the context otherwise requires.

ARTICLE II
SECURITY INTEREST

Section 2.01 Grant of Security Interest. Debtor hereby grants and confirms that it has granted to Secured Party a security interest in, a general lien upon, and a right of set-off against the following described Property:

(a) all of Debtor's accounts of any kind (including all leases) whether now existing or hereafter arising (herein called the "Accounts"); all chattel papers (including electronic chattel papers, hereinafter collectively referred to as "chattel papers"), documents and instruments whether now existing or hereafter arising relating to the Accounts; all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Accounts or any such chattel papers, documents and instruments; and all returned or repossessed goods arising therefrom or relating to any Accounts, or other proceeds of any sale or other disposition of inventory;

(b) all of Debtor's investment property and general intangibles of any kind whether now existing or hereafter arising including, without limitation the following (herein called the "General Intangibles");

(i) all leases of real or personal property;

(ii) all copyrights, trademarks, trademark registrations and applications for registration, trade names, corporate names, trade styles, service marks, logos, other source and business identifying marks, together with any goodwill associated therewith, and all patents, patent applications, and all renewals, extensions and continuations in part of the above, any written agreement granting any right to use any copyright, trademark, trademark application or registration, patent, patent application or registration, and the right to sue for past, present and future infringements of the foregoing including the Intellectual Property Collateral set forth in Exhibit A attached hereto (herein called the "Intellectual Property Collateral"); and

(iii) all chattel papers, documents and instruments whether now existing or hereafter arising relating to the General Intangibles; and all rights now or hereafter existing in and to all security agreements, leases, licenses and other contracts securing or otherwise relating to any General Intangibles or such chattel papers, documents and instruments;

(c) all of Debtor's inventory, machinery, equipment, furniture, fixtures and parts in all of their forms, whether now owned or hereafter acquired and wherever located, all parts thereof and all accessions or additions thereto and products thereof, whether now owned or hereafter acquired (any and all such inventory, machinery, equipment, furniture, fixtures, parts, accessions, additions and products herein called the "Goods"); and including, without limiting the foregoing, the Goods located at Debtor's

places of business listed on Schedule I attached hereto; all chattel papers, documents and instruments whether now existing or hereafter arising relating to the Goods; and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Goods or any such chattel papers, documents and instruments;

(d) in the event that any of the Goods are or will become so related to any particular real estate that an interest in such Goods arises under the real estate law of the state in which the Goods are located or is or will be installed in or affixed to other goods of such type, a description of such real estate or other goods is contained in Schedule II hereto and the name of the record owner of such real estate is contained in Schedule II hereto;

(e) all of Debtor's chattel papers, notes, documents and instruments (herein called the "Instruments") whether now existing or hereafter arising; and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any such chattel papers, documents and instruments;

(f) any additional Properties from time to time delivered to or deposited with Secured Party or any agent bank of Secured Party, whether as security for the Indebtedness or otherwise;

(g) all commercial tort claims, deposit accounts, letter of credit rights, payment intangibles or software; and

(h) the proceeds, products, additions, substitutions and accessions of and to any and all of the foregoing Property; and all of Debtor's books, records, reports, memoranda and data compilations, in any form (including, without limitation, corporate and other business records, customer lists, credit files, computer programs, printouts and any other computer materials and records), of Debtor pertaining to any and all of the foregoing Property.

Section 2.02 Indebtedness Secured. The security interest in, general lien upon, and right of set-off against the Collateral is granted to Secured Party to secure the Indebtedness (as defined in the Agreement).

Section 2.03 Limited License. Debtor hereby grants to Secured Party a limited license in Debtor's trade names, trademarks and service marks for purposes of allowing Secured Party to use the same in connection with any foreclosure sale or any other disposition pursuant to the Code or this Security Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

In order to induce Secured Party to accept this Security Agreement, Debtor represents and warrants to Secured Party (which representations and warranties will survive the creation of the Indebtedness and any extension of credit thereunder) that:

Section 3.01 Information. All information supplied and statements (including financial statements), certificates or data furnished or made by Debtor (or any officer, attorney or accountant of Debtor) to Secured Party (including, without limitation, any extracts from or copies of the Books and Records) in connection with the Indebtedness and/or this Security Agreement, whether contemporaneously with or subsequent to the execution of this Security Agreement are and shall be true, correct, complete, valid and genuine. No information, statements, certificate, exhibit or report furnished by Debtor to Secured Party in connection with the Indebtedness and/or this Security Agreement contains any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statement contained therein not misleading.

Section 3.02 Status of Accounts. Each Account now existing represents, and each Account hereafter arising will represent, the valid and legally enforceable indebtedness of a bona fide account debtor arising from the sale, lease or rendition by Debtor of goods and/or services and is not and will not be subject to contra accounts, set-offs, defenses or counterclaims by or available to account debtors obligated on the Accounts except as disclosed to Secured Party in writing; such goods will have been delivered to, or be in the process of being delivered to, and such services will have been rendered by Debtor to the account debtor and accepted by the account debtor; and the amount shown as to each Account on Debtor's books will be the true and undisputed amount owing and unpaid thereon, subject to any discounts, allowances, rebates, credits and adjustments to which the account debtor has a right and which have been disclosed to Secured Party in writing.

Section 3.03 Status of Related Rights. All Related Rights are, and those hereafter arising will be, valid and genuine. Any chattel paper included in the Related Rights has, and those hereafter arising will have, only one duplicate original counterpart which constitutes chattel paper or collateral within the meaning of the Code or the law of any applicable jurisdiction.

Section 3.04 Status of Books and Records. All Books and Records have been, and those entries hereafter made therein will be, made in the regular course of Debtor's business; made on the basis of information recorded or transmitted (or to be recorded or transmitted) by a Person, either an employee or representative of Debtor, with personal knowledge of the acts, events, conditions, opinions or diagnoses recorded therein and in the regular course of Debtor's business; made at or near the time of the act, event, condition, opinion or diagnosis recorded therein and in the regular course of Debtor's business; and contain full, true and correct entries of all dealings or transactions relating to the Accounts, General Intangibles, Goods, Related Rights and other Collateral, in accordance with generally accepted accounting principles, consistently applied.

Section 3.05 Mobile Goods. In the event any of the Goods are mobile, such Goods are of a type normally used in more than one jurisdiction, such as motor vehicles, trailers, rolling stock, airplanes, shipping containers, road building and construction machinery and commercial harvesting machinery and the like.

Section 3.06 Certificate of Title. In the event any of the Goods are covered by a certificate of title, such Goods are specifically identified on Exhibit B attached hereto.

Section 3.07 Collateral Not Covered by Documents. None of the Goods included in the Collateral are, and at the time the security interest in favor of Secured Party attaches, none of the after acquired Goods included in the Collateral will be, covered by any Document (as defined in the Code or in the Uniform Commercial Code of any state other than Texas where the Goods are (or will be) located).

Section 3.08 Status of Instruments. Each Instrument now existing is, and each Instrument hereafter will be, the valid and legally enforceable indebtedness of a bona fide maker thereof for good and valuable consideration, of which a Debtor is the owner and holder, and is not and will not be subject to set-offs, counterclaims or defenses by any maker except as disclosed to Secured Party in writing; and the amount shown on the relevant Debtor's books in respect thereof will be the true and undisputed amount owing and unpaid thereon. Each Instrument is endorsed to Secured Party and is in the possession of Secured Party, unless (a) Secured Party shall otherwise consent in writing and (b) each Instrument subject to such consent bears a legend, in form and substance satisfactory to Lender, indicating that such Instrument is subject to a security interest granted by this Security Agreement.

ARTICLE IV **COVENANTS**

A deviation from the provisions of this Article IV shall not constitute an event of default under this Security Agreement if, prior to the occurrence thereof, such deviation is consented to in writing by Secured Party. Without the prior written consent of Secured Party, Debtor will at all times comply with the covenants contained in this Article IV, from the date hereof and for so long as any part of the Indebtedness is outstanding.

Section 4.01 Financing Statement Filings. Debtor authorizes Secured Party to prepare and file financing statements pertaining to the Collateral with the UCC Central Filing Office located in the Offices of the Oklahoma County Clerk, or in any other jurisdiction in which Secured Party deems such a filing to be necessary or appropriate. Debtor will immediately notify Secured Party of any condition or event that may change the proper location for the filing of any financing statements or other public notice or recordings for the purpose of perfecting security interests in the Collateral. Without limiting the generality of the foregoing, Debtor will (a) prior to any Collateral becoming so related to any particular real estate so as to become a fixture on such real estate or being installed in or affixed to other Collateral so as to become an accession to such other Collateral, notify Secured Party of the description of such real estate or other

Collateral and the name of the record owner thereof; (b) upon demand of Secured Party, furnish written consent(s) to Secured Party's security interest and/or disclaimer(s) signed by any Person having an interest in such real estate or other Collateral referred to in clause (a) above; and (c) notify Secured Party thirty (30) days prior to any change in any Debtor's name, state of incorporation, identity or corporate structure. In any notice furnished pursuant to this Section, Debtor will expressly state that the notice is required by this Security Agreement and contains facts that will or may require additional filings of financing statements or other notices for the purpose of continuing perfection of Secured Party's security interest in the Collateral.

Section 4.02 Satisfactory Collateral. Debtor will at all times maintain with Secured Party Collateral of a character and value satisfactory to Secured Party. If at any time any of the Collateral shall depreciate in character or value or otherwise be unsatisfactory to Secured Party, Secured Party in its discretion may demand, and Debtor will upon said demand provide, such further collateral or such payment on account of the Indebtedness as will be satisfactory to Secured Party.

Section 4.03 Possession of Collateral. Secured Party shall be deemed to have possession of any of the Collateral in transit to it or set apart for it. Otherwise, the Collateral shall remain in Debtor's possession or control at all times at Debtor's risk of loss and shall (except for temporary removal consistent with its normal use) be kept at the locations represented pursuant to the Agreement and any other location specified in writing to Secured Party, where Secured Party may inspect it at any time.

Section 4.04 Further Assurances. Debtor (i) will not remove any Goods included in the Collateral from the jurisdiction in which such Goods are located without first notifying the Secured Party; (ii) will mark conspicuously any and all chattel paper included in the Collateral and its Books and Records pertaining to the Collateral with a legend, in form and substance satisfactory to Secured Party indicating that such chattel paper or Collateral is subject to the security interest granted by this Security Agreement; and (iii) will, in the event any Account, General Intangible or Related Right is evidenced by a note or other instrument, transfer, deliver and assign to Secured Party such note or other instrument duly endorsed and accompanied by duly executed instruments of transfer and assignment, all in form and substance satisfactory to Secured Party, to be held by Secured Party as Collateral under this Security Agreement.

Section 4.05 Filing Reproductions. At the option of Secured Party, a carbon, photographic or other reproduction of this Security Agreement or of a financing statement covering the Collateral shall be sufficient as a financing statement and may be filed as a financing statement.

Section 4.06 Delivery of Information. Debtor will transmit to Secured Party promptly all information that Debtor may have or receive with respect to (i) the Collateral or (ii) account debtors or obligors in respect of the Accounts, the General Intangibles and the Related Rights which might in any way affect the value of the Collateral or Secured Party's rights or remedies with respect thereto.

Section 4.07 Compromise of Collateral. Debtor will not adjust, settle, compromise, release (wholly or partially) any account debtor or obligor with respect to, or allow any credit (other than proceeds subject to subsection 4.10(c) hereof) or discount with respect to any of the Collateral without the prior written consent of Secured Party, except in the ordinary course of business.

Section 4.08 Account Obligations. Debtor will duly perform or cause to be performed all obligations of Debtor with respect to the goods or services, the sale or lease or rendition of which gave rise or will give rise to each Account or Instrument.

Section 4.09 Use of Inventory. Until the occurrence of any event of default specified in Section 5.03 hereof, Debtor may use its inventory in any lawful manner not inconsistent with this Security Agreement and with the terms of insurance thereon and may sell, lease or otherwise dispose of its inventory in the ordinary course of business. Debtor will not be permitted to use any item of inventory in a manner inconsistent with the holding thereof for sale, lease or disposition in the ordinary course of business or in contravention of the terms of any agreement. A sale, lease or disposition in the ordinary course of business does not include the exchange of items of inventory for goods in kind or otherwise or transfers of items of inventory made in satisfaction of present or future indebtedness.

Section 4.10 Collection and Enforcement of Accounts, General Intangibles and Related Rights.

(a) Except as otherwise provided in subsection 4.10(b) hereof, Debtor shall continue to collect, at its own expense, all amounts due or to become due to Debtor with respect to the Accounts, General Intangibles, Instruments and Related Rights in accordance with the provisions of the Agreement. In connection with such collections, Debtor may take (and, at Secured Party's direction, shall take) such action as Debtor or Secured Party may deem necessary or advisable to enforce collection of the Accounts, General Intangibles and Related Rights.

(b) Notwithstanding the provisions of subsection 4.10(a) hereof, Secured Party shall have the right at any time and from time to time, whether with or without written notice to Debtor of its intention to do so, to contact account debtors or obligors under any or all of the Accounts, General Intangibles, Instruments or Related Rights in order to verify information about Debtor's accounts, to notify such account debtors or obligors of the assignment and security interest of Secured Party in such Accounts, General Intangibles, Instruments or Related Rights and to direct such account debtors or obligors to make payment of all amounts due or to become due Debtor thereunder directly to Secured Party. Upon exercising such right, Secured Party may additionally, at the expense of Debtor, enforce collection of any or all of the Accounts, General Intangibles, Instruments and Related Rights and may adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as Debtor might have done.

(c) During the term of the Agreement, (i) all amounts and proceeds (including chattel paper, notes and instruments) received by Debtor in respect of the Accounts, General Intangibles, Instruments and Related Rights (1) shall be received in trust for the benefit of Secured Party hereunder, (2) shall be segregated from other funds of Debtor and shall not be commingled with other money nor deposited in a deposit account of Debtor, and (3) shall forthwith be paid over to Secured Party in the same form as so received (together with any necessary endorsement) to be held by Secured Party as cash collateral and applied as set forth in Section 5.02 hereof; and (ii) upon notice by Secured Party to Debtor that Secured Party either intends to exercise the rights and remedies granted in subsection 4.10(b) hereof or that it has so exercised one or more of the rights or remedies granted to it in subsection 4.10(b) hereof, as the case may be (it being understood and agreed that the foregoing shall not in any fashion require the Secured Party to give notice of its intent to exercise, or its exercise of, the right and remedies granted to it in subsection 4.10(b) hereof), Debtor shall forthwith deliver to Secured Party, to be maintained under the exclusive control of Secured Party, the Books and Records relating to the Accounts, the General Intangibles, the Instruments and the Related Rights for the purpose of enabling Secured Party to exercise its rights and remedies under this Security Agreement.

Section 4.11 Reports. Debtor will promptly furnish to Secured Party from time to time, upon request of Secured Party (i) an analysis of Debtor's Accounts, General Intangibles, Instruments and Related Rights in such detail as Secured Party may direct and including, without limitation, an identification of each Account by amount, invoice number and/or date and account debtor or obligor; an age analysis; and a summary for any relevant period identifying the amount outstanding at the beginning of the period, amount billed during the period, proceeds received during the period and amount outstanding at the end of the period; and (ii) an analysis of Debtor's inventory in such detail as Secured Party may direct and including, without limitation, for any relevant period, inventory comprising work in progress at the beginning of the period, amount billed comprising finished goods at the beginning of the period, inventory sold or otherwise disposed of during the period, inventory subject to lease during the period, inventory comprising work in progress at the end of the period, and inventory comprising finished goods at the end of the period.

Section 4.12 Proceeds. Except as otherwise specified in the Agreement, Debtor will deliver to Secured Party promptly upon receipt, all proceeds received by Debtor from the sale or other disposition of the Collateral in the exact form in which they are received, or in such other form as Secured Party may from time to time direct. To evidence Secured Party's rights in this regard, Debtor will assign or endorse proceeds to Secured Party as Secured Party requests. Upon request of Secured Party, Debtor will notify obligors on all of the Collateral to make payments directly to Secured Party, and Secured Party may endorse as Debtor's agent any checks, instruments, chattel paper or other documents connected with the Collateral, take control of proceeds of the Collateral and may hold the proceeds as part of the Collateral and may use cash proceeds to reduce any part of the Indebtedness, or otherwise, and take any action necessary to obtain, preserve and enforce the security interests and liens granted hereunder and maintain and preserve the Collateral.

Section 4.13 Insurance. Debtor shall have and maintain, with financially sound and reputable insurers, insurance satisfactory in all respects to Secured Party covering the Goods included in the Collateral against risk of fire, theft and such other risks as Secured Party may require, including standard extended coverage, in an amount at least equal to the value thereof. Policies evidencing any such property insurance (i) shall contain a standard loss payee endorsement and mortgagee's endorsement, (ii) shall provide for payment of any loss to Secured Party, (iii) shall contain the agreement by the insurer that any loss thereunder shall be payable to Secured Party notwithstanding any action, inaction or breach of representation or warranty by Debtor, (iv) shall provide that there shall be no recourse against Secured Party for payment of premiums or other amounts with respect thereto and (v) shall provide for a minimum of thirty (30) days' prior written notice to Secured Party of any cancellation, modification or alteration of such insurance coverage. Debtor shall furnish Secured Party with certificates or other evidence of compliance with the foregoing insurance provisions. Secured Party may act as attorney for Debtor and Debtor hereby irrevocably appoints Secured Party as Debtor's true and lawful attorney-in-fact and agent, with full power of substitution, in Secured Party's name or Debtor's name or otherwise, but at Debtor's cost and expense and without notice to Debtor, to obtain, adjust, sell and cancel such insurance and endorse any draft drawn by insurers of such Collateral. The Secured Party may apply any proceeds of such insurance which may be received by it in payment on account of the Indebtedness, whether due or not. If any insurance policy covering the Goods included in the Collateral expires or is canceled before the Indebtedness is indefeasibly paid in full or Secured Party's obligation, if any, to advance additional monies has terminated, at the Secured Party's option, the Secured Party may obtain replacement insurance which may, but need not, be single interest insurance in favor of the Secured Party and Secured Party may pay the premiums thereunder.

ARTICLE V RIGHTS AND REMEDIES

Section 5.01 With Respect to Collateral. Secured Party is hereby fully authorized and empowered (without necessity of any further consent or authorization from Debtor) and the right is expressly granted to Secured Party, and Debtor hereby constitutes, irrevocably appoints and makes Secured Party Debtor's true and lawful attorney-in-fact and agent for Debtor and in Debtor's name, place and stead, which appointment is coupled with an interest in the Collateral, with full power of substitution, in Secured Party's name or Debtor's name or otherwise, for Secured Party's sole use and benefit, but at Debtor's cost and expense, to exercise without notice, all or any of the following powers at any time with respect to all or any of the Collateral (regardless of whether any of the Indebtedness is due or not):

(a) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due by virtue thereof and otherwise deal with proceeds;

(b) to receive, take, endorse, assign and deliver any and all checks, notes, drafts, documents and other negotiable and nonnegotiable instruments and chattel paper taken or received by Secured Party in connection therewith;

(c) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto;

(d) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof or the relative goods, as fully and effectually as if Secured Party were the absolute owner thereof;

(e) to extend the time of payment of any or all thereof and to grant waivers and make any allowance or other adjustment with reference thereto; and

(f) to enter any post office box and take all items therefrom, to open the same and, after taking all remittances, to return any remaining items to Debtor and to change any post office box to any address or post office box Secured Party chooses;

provided, however, that Secured Party shall be under no obligation or duty to exercise any of the powers hereby conferred upon it and shall be without liability for any act or failure to act in connection with the collection of, or the preservation of any rights under, any Collateral.

Section 5.02 Application of Cash Sums. Prior to the happening of any of the events of default specified in Section 5.03 hereof, all cash sums paid to and received by Secured Party on account of the Collateral (i) shall be promptly applied by Secured Party on the Indebtedness whether or not such Indebtedness shall have by its terms matured, such application to be made to principal or interest or expenses as Secured Party may elect; provided, further, however, that Secured Party's failure to so apply any such sums shall not be a waiver of Secured Party's right to so apply such sums or any other sums at any time, or (ii) at the option of Secured Party, shall be released to Debtor for use in Debtor's business.

Section 5.03 Default, Events. At the option of Secured Party and without necessity of demand or notice, all or any part of the Indebtedness shall immediately become due and payable irrespective of any agreed maturity or period of grace and any obligation of Secured Party for further financial accommodation shall terminate upon the happening of any of the following events:

- (a) the occurrence of an "Event of Default" under the Agreement;
- (b) default in the payment of any amount payable hereunder when due;
- (c) the issuance of an order of attachment against Debtor, or any of the Collateral, or Other Liable Party; or
- (d) failure by Debtor, upon demand from Secured Party, to furnish such further reasonable Collateral or take such payment on account of the Indebtedness as will be satisfactory to Secured Party.

Section 5.04 Default, Remedies. If all or any part of the Indebtedness shall become due and payable as specified in Section 5.03 hereof, Secured Party may then, or at any time thereafter apply, set off, sell in one or more sales, lease or otherwise dispose of, any or all of the Collateral, in its then condition or following any commercially reasonable preparation or processing, in such order as Secured Party may elect, and any such sale may be made either at public or private sale at its place of business or elsewhere, either for cash or upon credit or for future delivery, at such price as Secured Party may deem fair, and Secured Party may be the purchaser of any or all Collateral so sold and hold the same thereafter in its own right free from any claim of Debtor or right of redemption. No such purchase or holding by Secured Party shall be deemed a retention by Secured Party in satisfaction of the Indebtedness. All demands, notices and advertisements, and the presentment of property at sale, are hereby waived. If, notwithstanding the foregoing provisions, any applicable provision of the Code or other law requires Secured Party to give reasonable notice of any such sale or disposition or other action, Debtor agrees that five (5) days' prior written notice shall constitute reasonable notice. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place designated by Secured Party which is reasonably convenient to Secured Party and Debtor. Any sale hereunder may be conducted by an auctioneer or any officer or agent of Secured Party.

Section 5.05 Proceeds. The proceeds of any sale or other disposition of the Collateral and all sums received or collected by Secured Party from or on account of the Collateral shall be applied by Secured Party in the manner set forth in Section 9.615 of the Code as presently in effect.

Section 5.06 Deficiency. Debtor shall remain liable to Secured Party for any Indebtedness, advances, costs, charges and expenses, together with interest thereon remaining unpaid and shall pay the same immediately to Secured Party at Secured Party's offices.

Section 5.07 Secured Party's Duties. The powers and remedies conferred upon Secured Party by this Security Agreement are solely to protect its interest in the Collateral and shall not impose any duty upon Secured Party to exercise any such power or remedy. Secured Party shall be under no duty whatsoever to make or give any presentment, demand for performance, notice of nonperformance, protest, notice of protest, notice of dishonor, or other notice or demand in connection with the Collateral or the Indebtedness, or to take any steps necessary to preserve any rights against prior parties. Secured Party shall not be liable for failure to collect or realize upon any or all of the Indebtedness or Collateral, or for any delay in so doing, nor shall Secured Party be under any duty to take any action whatsoever with regard thereto. Secured Party shall use reasonable care in the custody and preservation of any Collateral in its possession but need not take any steps to keep the Collateral identifiable. Secured Party shall have no duty to comply with any recording, filing or other legal requirements necessary to establish or maintain the validity, priority or enforceability of, or Secured Party's rights in or to, any of the Collateral.

Section 5.08 Secured Party's Actions. Debtor waives any right to require Secured Party to proceed against any Person, exhaust any Collateral, or have any Other Liable Party joined with Debtor in any suit arising out of the Indebtedness or this Security Agreement or

pursue any other remedy in Secured Party's power; waives any and all notice of acceptance of this Security Agreement or of creation, modification, renewal or extension for any period of any of the Indebtedness from time to time; and waives any defense arising by reason of any disability or other defense of Debtor or of any Other Liable Party, or by reason of the cessation from any cause whatsoever of the liability of Debtor or of any Other Liable Party. All dealings between Debtor and Secured Party, whether or not resulting in the creation of Indebtedness, shall conclusively be presumed to have been had or consummated in reliance upon this Agreement. Until all Indebtedness shall have been indefeasibly paid in full, Debtor shall not have any right to subrogation, and Debtor waives any right to enforce any remedy which Secured Party now has or may hereafter have against Debtor or any Other Liable Party and waives any benefit of and any right to participate in any Collateral or security whatsoever now or hereafter held by Secured Party. Debtor authorizes Secured Party, without notice or demand and without any reservation of rights against Debtor and without affecting Debtor's liability hereunder or on the Indebtedness, from time to time to (a) take and hold any other Property as collateral, other than the Collateral, for the payment of any or all of the Indebtedness, and exchange, enforce, waive and release any or all of the Collateral or such other Property; (b) apply the Collateral or such other Property and direct the order or manner of sale thereof as Secured Party in its discretion may determine; (c) renew and/or extend for any period, accelerate, modify, compromise, settle or release the obligation of Debtor or any Other Liable Party with respect to any or all of the Indebtedness or Collateral; and (d) release or substitute Debtor or any Other Liable Party.

Section 5.09 Transfer of Indebtedness and Collateral. Secured Party may transfer any or all of the Indebtedness, and upon any such transfer Secured Party may transfer any or all of the Collateral and shall be fully discharged thereafter from all liability with respect to the Collateral so transferred, and the transferee shall be vested with all rights, powers and remedies of Secured Party hereunder with respect to Collateral so transferred; but with respect to any Collateral not so transferred Secured Party shall retain all rights, powers and remedies hereby given. Secured Party may at any time deliver any or all of the Collateral to Debtor, whose receipt shall be a complete and full acquittance for the Collateral so delivered, and Secured Party shall thereafter be discharged from any liability therefor.

Section 5.10 Cumulative Security. The execution and delivery of this Security Agreement in no manner shall impair or affect any other security (by endorsement or otherwise) for the payment of the Indebtedness. No security taken hereafter as security for payment of the Indebtedness shall impair in any manner or affect this Security Agreement. All such present and future additional security is to be considered as cumulative security.

Section 5.11 Continuing Agreement. This is a continuing agreement and all the rights, powers and remedies of Secured Party hereunder shall continue to exist until the Indebtedness is indefeasibly paid in full as the same becomes due and payable; until Secured Party has no further obligation to advance monies to Debtor or any Other Liable Party; and until Secured Party, upon request of Debtor, has executed a written termination statement. Furthermore, it is contemplated by the parties hereto that there may be times when no Indebtedness is owing; but notwithstanding such occurrence, this Security Agreement shall remain valid and shall be in full force and effect as to subsequent Indebtedness; provided that

Secured Party has not executed a written termination statement. Otherwise this Security Agreement shall continue irrespective of the fact that the personal liability of any Other Liable Party may have ceased, and notwithstanding the bankruptcy or incapacity of Debtor or the death, incapacity or bankruptcy of any Other Liable Party or any other event or proceeding affecting Debtor or Other Liable Party.

Section 5.12 Cumulative Rights. The rights, powers and remedies of Secured Party hereunder shall be in addition to all rights, powers and remedies given by statute or rule of law and are cumulative. The exercise of any one or more of the rights, powers and remedies provided herein shall not be construed as a waiver of any of the other rights, powers and remedies of Secured Party. Furthermore, regardless of whether or not the Uniform Commercial Code is in effect in the jurisdiction where such rights, powers and remedies are asserted, Secured Party shall have the rights, powers and remedies of a secured party under the Code, as amended.

Section 5.13 Exercise of Rights. Time shall be of the essence for the performance of any act under this Security Agreement or the Indebtedness by Debtor or any Other Liable Party, but neither Secured Party's acceptance of partial or delinquent payment nor any forbearance, failure or delay by Secured Party in exercising any right, power or remedy shall be deemed a waiver of any obligation of Debtor or any Other Liable Party or of any right, power or remedy of Secured Party or preclude any other or further exercise thereof; and no single or partial exercise of any right, power or remedy shall preclude any other or further exercise thereof, or of the exercise of any other right, power or remedy.

Section 5.14 Remedy and Waiver. Secured Party may remedy any default and may waive any default without waiving the default remedied or waiving any prior or subsequent default.

Section 5.15 Non-Judicial Remedies. Secured Party may enforce its rights hereunder without resort to prior judicial process or judicial hearing, and Debtor expressly waives, renounces and knowingly relinquishes any and all legal rights which might otherwise require Secured Party to enforce its rights by judicial process. In so providing for non-judicial remedies, Debtor recognizes and concedes that such remedies are consistent with the usage of the trade, are responsive to commercial necessity and are the result of bargaining at arm's length. Nothing herein is intended to prevent Secured Party or Debtor from resorting to judicial process at either party's option.

ARTICLE VI **MISCELLANEOUS**

Section 6.01 Debtor. The term "Debtor" as used throughout this Security Agreement shall include the respective successors, legal representatives, heirs and assigns of Debtor.

Section 6.02 Preservation of Liability. Neither this Security Agreement nor the exercise by Secured Party (or any failure to so exercise) any right, power or remedy conferred

herein or by law shall be construed as relieving any Person liable on the Indebtedness from full liability on the Indebtedness and for any deficiency thereon.

Section 6.03 Notices. Any notice or demand to Debtor under this Security Agreement or in connection with this Security Agreement may be given and shall conclusively be deemed and considered to have been given and received upon the deposit thereof, in writing, duly stamped and addressed to Debtor at the address of Debtor appearing on the records of the Secured Party, in the U.S. Mail, but actual notice, however given or received, shall always be effective.

Section 6.04 Construction. This Security Agreement has been made in and the security interest granted hereby is granted in and both shall be governed by the laws of the State of Texas (except to the extent that the laws of any other jurisdiction govern the perfection and priority of the security interest granted hereby) and of the United States of America, as applicable, in all respects, including matters of construction, validity, enforcement and performance.

Section 6.05 Amendment and Waiver. This Security Agreement may not be amended, altered, or modified (nor may any of its terms be waived) except in a writing duly signed by an authorized officer of Secured Party and by Debtor.

Section 6.06 Invalidity. If any provision of this Security Agreement is rendered or declared invalid, illegal or unenforceable by reason of any existing or subsequently enacted legislation or by a judicial decision which shall have become final, Debtor and Secured Party shall promptly meet and negotiate substitute provisions for those rendered invalid, illegal or unenforceable, but all of the remaining provisions shall remain in full force and effect.

Section 6.07 Successors and Assigns. The covenants, representations, warranties and agreements herein set forth shall be binding upon Debtor and shall inure to the benefit of Secured Party, its successors and assigns.

Section 6.08 Survival of Agreements. All representations and warranties of Debtor herein, and all covenants and agreements herein not fully performed before the effective date of this Security Agreement, shall survive such date.

Section 6.09 Titles of Articles and Sections. All titles or headings to articles, sections or other divisions of this Security Agreement are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the other content of such articles, sections or other divisions, such other content being controlling as to the agreement between the parties hereto.

Section 6.10 Exhibits. All exhibits to this Security Agreement are incorporated herein by reference for all purposes.

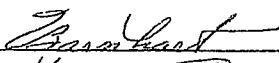
Section 6.11 Conflict of Terms. If any provision contained in this Security Agreement is in direct conflict with, or inconsistent with, any provision of the Agreement, the provision in the Agreement shall govern and control.

Section 6.12 Multiple Originals. This Security Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Security Agreement may be executed by facsimile or "pdf" and each party has the right to rely upon a facsimile or "pdf" counterpart of this Security Agreement signed by the other party to the same extent as if such party had received an original counterpart.

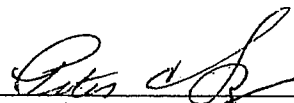
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IN WITNESS WHEREOF, Debtor has executed this Security Agreement as of the date set forth hereinabove.

DEBTOR:

PANELITE, INC.,
an Oklahoma corporation

By: 
Name: VEZETA BARNHART
Title: VP

PANELITE, INC.,
an Oklahoma corporation

By: 
Name: Peter Xaboy
Title: Assistant Secretary - Treasurer

ACCEPTED AND ACKNOWLEDGED BY:
THE FROST NATIONAL BANK,
a national banking association doing business as
FROST CAPITAL GROUP

By: _____

Name: Susan Holliday
Title: V.P.

Security Agreement
471092

TRADEMARK
REEL: 004190 FRAME: 0802

EXHIBIT A
Listing of Intellectual Property Collateral

PATENTS

DATE ISSUED	NUMBER	DESCRIPTION
November 19, 2004	13707	Marker Light (Mexico)
November 30, 2000	90947	Marker Light (Canada)
February 8, 2000	D420302	Marker Light (United States)

TRADEMARKS

DATE ISSUED	NUMBER	DESCRIPTION
Filing: December 15, 2003 Published for Opposition: November 15, 2005 Registration: February 7, 2006	Serial: 76568071 Registration: 3056816	Panelite Custom Truck Accessories

COPYRIGHTS

DATE ISSUED	NUMBER	DESCRIPTION
None.		

Exhibit B
Goods covered by a Certificate of Title

The following motor vehicles are registered in the State of Oklahoma to Panelite, Inc.:

VEHICLES				
	YEAR	MAKE	MODEL	SERIAL NUMBER
1.	1985	GMC	VALUE VAN 35	1GTHP32M3F3506736
2.	1991	FORD	F-250	1FTHF25H6MKA98215
3.	1991	DODGE	RAM 350	1B7ME3682MS242459
4.	1997	FORD	EXPLORER XLT	1FMDU32EXVZB93613
5.	2000	CHEVROLET	3500	1GBJC34J0YF410150
6.	2006	CHEVROLET	C-1500	2GCEC19T561115061
7.	1999	CHEVROLET	SILVERADO 1500 LS, EXTENDED CAB	2GCEC19T4X1180730
8.	2006	CHEVROLET	C-1500	1GCEC19TX6Z110798

TRAILERS				
	YEAR	MAKE	MODEL	SERIAL NUMBER
1.	1997	VAN TRAILER	UTILITY MDL. VS2DC	1UYVS2533VP279801
2.		VAN TRAILER	UTILITY	

Schedule I

Locations of Debtor's Businesses

1. 616 N. Macarthur Blvd., Oklahoma City, Oklahoma 73127
2. 5621 N.W. 5th Street, Oklahoma City, Oklahoma 73127

Schedule II

Legal Description of Debtor's Property

[Attached]

LEGAL DESCRIPTION

A tract of land in the South half (S/2) of the Northwest Quarter (NW/4) of Section Thirty-four (34), Township Twelve (12) North, Range Four (4) West of the Indian Meridian, Oklahoma County, Oklahoma, more particularly described as follows:

Commencing at the Southwest corner of the Northwest Quarter (NW/4) of Section Thirty-four (34);

Thence North 00°00'24" East along the West line of said Section Thirty-four (34) a distance of 605.76 feet to the point of beginning,

Thence continuing North 00°00'24" East along the West line of said Section Thirty-four (34) a distance of 383.31 feet;

Thence South 89°50'44" East a distance of 1010.00 feet;

Thence South 00°00'24" West a distance of 260.00 feet;

Thence North 89°51'16" West a distance of 410.00 feet;

Thence South 00°00'07" East a distance of 122.79 feet;

Thence North 89°53'23" West a distance of 600.02 feet to the point of beginning.

And

A part of the Northwest Quarter (NW/4), Section Thirty-four (34), Township Twelve (12) North, Range Four (4) West, L.M., Oklahoma County, Oklahoma, more particularly described as follows:

Commencing at the Southwest Corner of the Northwest Quarter (NW/4), of said Section Thirty-four (34);

Thence North 00°00'24" East along the west line of said Section Thirty-four (34), a distance of 324.68 feet to the point of beginning;

Thence continuing North 00°00'24" East along the west line of said Section Thirty-four (34), a distance of 281.08 feet;

Thence South 89°53'23" East a distance of 600.02 feet;

Thence North 00°00'07" West a distance of 122.79 feet;

Thence South 89°51'16" East a distance of 47.88 feet;

Thence South 00°00'07" East a distance of 285.26 feet to a point on the south line of an easement for water line granted to the City of Oklahoma City by instrument recorded in Book 2048, page 164 of the records of Oklahoma County, State of Oklahoma, and the north right-of-way line of NW 5th Street;

Thence South 79°44'13" West along said south easement line and north right-of-way line of NW 5th Street, a distance of 658.47 feet to the point or place of beginning.

EXHIBIT B

COLLATERAL

(a) all of Debtor's accounts of any kind (including all leases) whether now existing or hereafter arising (herein called the "Accounts"); all chattel paper (including electronic chattel paper, hereinafter collectively referred to as "chattel papers"), documents and instruments whether now existing or hereafter arising relating to the Accounts; all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Accounts or any such chattel papers, documents and instruments; and all returned or repossessed goods arising therefrom or relating to any Accounts, or other proceeds of any sale or other disposition of inventory;

(b) all of Debtor's investment property, payment intangibles, letter of credit rights and general intangibles of any kind whether now existing or hereafter arising including, without limitation the following (herein called the "General Intangibles");

(i) all leases of real or personal property;

(ii) all copyrights, trademarks, trademark registrations and applications for registration, trade names, corporate names, trade styles, service marks, logos, other source and business identifying marks, together with any goodwill associated therewith, and all patents, patent applications, and all renewals, extensions and continuations in part of the above, any written agreement granting any right to use any copyright, trademark, trademark application or registration, patent, patent application or registration, and the right to sue for past, present and future infringements of the foregoing including the Intellectual Property Collateral set forth on Exhibit B; and

(iii) all chattel papers, documents and instruments whether now existing or hereafter arising relating to the General Intangibles; and all rights now or hereafter existing in and to all security agreements, leases, licenses and other contracts securing or otherwise relating to any General Intangibles or such chattel papers, documents and instruments;

(c) all of Debtor's inventory, goods, machinery, equipment, furniture, fixtures and parts in all of their forms, whether now owned or hereafter acquired and wherever located, all parts thereof and all accessions or additions thereto and products thereof, whether now owned or hereafter acquired (any and all such inventory, goods, machinery, equipment, furniture, fixtures, parts, accessions, additions and products herein called the "Goods"); and all chattel papers, documents and instruments whether now existing or hereafter arising relating to the Goods; and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Goods or any such chattel papers, documents and instruments;

(d) all of Debtor's chattel papers, letters of credit, notes, documents and instruments (herein called the "Instruments") whether now existing or hereafter arising; and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any such chattel papers, documents and instruments;

(e) any additional Property deposited with Secured Party or any agent bank of Secured Party, whether as security for the Indebtedness or otherwise;

(f) all commercial tort claims, deposit accounts, money letter of credit rights, payment intangibles or software; and

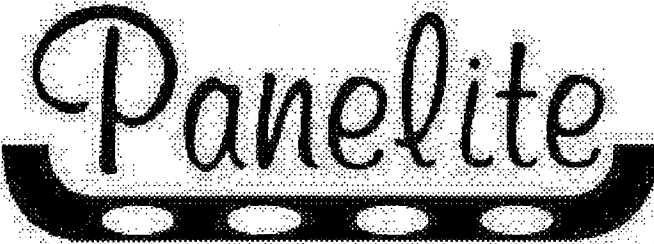
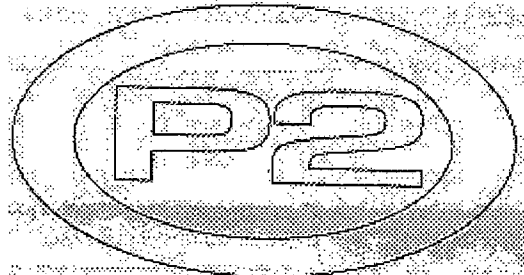
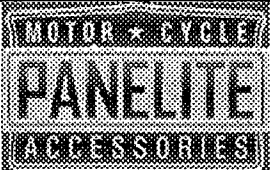
(g) the proceeds, products, additions, substitutions and accessions of and to any and all of the foregoing property or assets and all supporting obligations relating thereto; and all of Debtor's books, records, reports, memoranda and data compilations, in any form (including, without limitation, corporate and other business records, customer lists, credit files, computer programs, printouts and any other computer materials and records), of Debtor pertaining to any and all of the foregoing property or assets

EXHIBIT C

DESCRIPTION OF CERTAIN INTELLECTUAL PROPERTY COLLATERAL

TRADEMARKS

Debtor has adopted and used certain trademark(s) and trade dress in commerce (collectively the "*Marks*"), some of which said Marks may be registered in the United States Patent and Trademark Office and with the Oklahoma Secretary of State where indicated below:

<u>TRADEMARK</u>	<u>REGISTRATION NO. (if applicable)</u>
PANELITE CUSTOM TRUCK ACCESSORIES (AND DESIGN)	U.S. REGISTRATION NO. 3056816
PANELITE CUSTOM TRUCK ACCESSORIES (AND DESIGN)	OKLAHOMA REGISTRATION NO. 12017727
PANELITE (words only)	N/A
PANELITE (words and design) 	N/A
	N/A
	N/A
MILLENNIUM SERIES	N/A
THE ORIGINAL MILLENNIUM LITE	N/A
MILLENNIUM LITE	N/A
MILLENNIUM	N/A

OUR REPUTATION FOR CHROME IS STAINLESS	N/A
M1 (words) and (words and design)	N/A
M3 (words) and (words and design)	N/A
M4 (words) and (words and design)	N/A
M5 (words) and (words and design)	N/A
PANELITE PUTS THE ORIGINAL IN ORIGINAL EQUIPMENT (words) and (stylized)	N/A
All trade dress including that depicted in Debtor's existing sales and marketing materials, including but not limited to catalogs, brochures, ads, price sheets, quotations, artwork, displays and trade show booths.	N/A

CONTINUED ON THE FOLLOWING PAGE

PATENTS

Debtor owns all right title and interest for the United States and all foreign countries in and to the following United States and foreign patents and Industrial Designs (the "Patents") as follows:

<u>PATENT</u>	<u>PATENT NO. / REGISTRATION NO.</u>
MARKER LIGHT	U.S. Patent No. D420,302
MARKER LIGHT	Mexico MX 013707 B
MARKER LIGHT	Mexico MX 015989 B
MARKER LIGHT	Canada Industrial Design Registration No. 90946
MARKER LIGHT	Canada Industrial Design Registration No. 90947

including all divisional, continuing, renewal, reissue and all other applications for Patents which have been or shall be filed in the United States and all foreign countries; all original and reissued patents which have been or shall be issued in the United States and all foreign countries on such Patents; and specifically including the right to file foreign applications under the provisions of any convention or treaty and claim priority based on such application in the United States.

EXHIBIT D

DEFAULT NOTICE

**NOTICE OF DEFAULT AND ACCELERATION
DEMAND FOR PAYMENT
DEMAND FOR ASSEMBLY AND DELIVERY OF COLLATERAL**

November 20, 2009

VIA OVERNIGHT COURIER AND REGISTERED MAIL

To:	Panelite, Inc. ("Borrower") 616 N. Macarthur Blvd. Oklahoma City, OK 73127 Attn: Veleta E. Barnhart	Ms. Veleta Barnhart ("Guarantor") 1623 Saratoga Way Edmond, OK 73003 and c/o Panelite, Inc. 616 N. Macarthur Blvd. Oklahoma City, OK 73127
-----	--	--

This Notice is given in connection with the following:

- (1) Loan Agreement dated as of April 28, 2008 (as amended, restated, supplemented, or otherwise modified from time to time, the "Loan Agreement") between THE FROST NATIONAL BANK, a national banking association, doing business as Frost Capital Group ("Lender"), and PANELITE, INC., an Oklahoma corporation ("Borrower");
- (2) Security Agreement dated as of April 28, 2008 (as amended, restated, supplemented, or otherwise modified from time to time, the "Security Agreement") between Lender as secured party and Borrower as debtor;
- (3) Forbearance Agreement and Amendment to Loan Documents dated as of June 30, 2009 (as amended, restated, supplemented, or otherwise modified from time to time, the "Forbearance Agreement") among Lender, Borrower, and Veleta E. Barnhart, an individual residing in the state of Oklahoma ("Guarantor"). (Capitalized terms used herein, which are not defined herein shall have the meanings set forth in the Loan Agreement or the Forbearance Agreement, as the case may be.)

NOTICE IS HEREBY GIVEN that material Events of Default have occurred under the Loan Agreement (including, but not limited to, the Specified Defaults identified in the Forbearance Agreement), an Additional Default has occurred under the Forbearance Agreement, and the Forbearance Period under the Forbearance Agreement has terminated in accordance with its terms.

The Events of Default include, but are not limited to the following:

- (i) each of the Specified Defaults identified in the Forbearance Agreement;
- and

(ii) the following (which constitutes an Additional Default under the Forbearance Agreement): the cross-acceleration of indebtedness of Borrower owing to Frontier State Bank (as evidenced by the default letter, dated October 5, 2009, from Frontier State Bank's legal counsel to Borrower, and by the October 20, 2009 summons and complaint by Frontier State Bank as plaintiff filed against, among others, Borrower as defendant, in connection with Case No. CJ-2009-9917 in the District Court of Oklahoma County, State of Oklahoma), which constitutes an Event of Default under Section 6.01(k) of the Loan Agreement.

As a result, the Lender has exercised its right to declare all of the Obligations to be immediately due and payable.

DEMAND IS HEREBY MADE UPON BORROWER, AND UPON GUARANTOR, for the immediate payment of the entire unpaid balance of the Obligations, which, at the date hereof, is \$3,956,660.59 principal (which includes interest accruing through November 19, 2009), plus interest accruing after said date, at the rate set forth in the Loan Agreement, plus fees, costs and attorneys fees, all as provided in the Loan Agreement.


Under Section 5.04 of the Security Agreement, following an Event of Default, Lender has the right to require Borrower to assemble the Collateral and make it available to Lender at a place to be designated by Lender, and **DEMAND IS HEREBY MADE UPON BORROWER** to comply with this requirement and permit us to take possession of all of the tangible personal property Collateral of Borrower.

Enclosed is a separate Notice of Disposition of Collateral, which Notice is without prejudice to Lender's right to proceed against Collateral by other methods, including (but not limited to) the direct collection of accounts, general intangibles, and other sums (including without limitation Receipts) owing to the Debtor.

Events of Default may not be waived, and agreements to forbear from exercising rights and remedies may not be made, by any person on Lender's behalf orally. Waivers of Events of Default and agreements to forbear may only be made in a specific written agreement signed by a duly authorized officer of Lender. Further, any other agreements, commitments or promises on the part of Lender may only be made in a specific written agreement signed by a duly authorized officer of Lender.

All of Lender's rights and remedies, including without limitation rights and remedies against any other parties and any other Collateral, are expressly reserved.

THE FROST NATIONAL BANK, a national
banking association, doing business as Frost Capital
Group

By 
Leo D. Plotkin, its Attorney

cc: the following persons (via Overnight Courier and Registered Mail):

Fellers, Snider, Blankenship, Bailey & Tippens, P.C.
100 N. Broadway Ave., Suite 1700
Oklahoma City, OK 73102
Attn: Stephen J. Moriarty, Esq.

Leslie C. Barnhart
2612 S.W. 93rd
Oklahoma City, OK 73159

NOTIFICATION OF DISPOSITION OF COLLATERAL
(Uniform Commercial Code Section 9610)

VIA OVERNIGHT COURIER AND REGISTERED MAIL

To: Panelite, Inc. ("Debtor")
616 N. Macarthur Blvd.
Oklahoma City, OK 73127
Attn: Veleta E. Barnhart

and

The other parties listed on Exhibit A hereto

and

VIA FIRST CLASS MAIL AND REGISTERED MAIL

To: The parties listed on Exhibit B hereto

From: Frost Capital Group ("Secured Party")
2727 N. Harwood, 10th Floor
Dallas, TX 75201
Attn: Terri Sandridge
Facsimile: 214-515-4065
Telephone: 214-515-4064

Date: November 20, 2009

Secured Party will sell or license, as applicable, any or all of the collateral described on Exhibit C hereto (the "Collateral") privately sometime after Thursday, December 10, 2009.

The Collateral may be disposed of in bulk or in designated lots or by individual items. If competing offers with different terms and conditions are submitted, Secured Party will determine which offer will be accepted, and its decision in this regard will be final.

THE SALE OF THE COLLATERAL WILL BE AS IS, WHERE IS AND WITH ALL FAULTS, AND NO REPRESENTATION OR WARRANTY IS OR WILL BE MADE AS TO THE COLLATERAL. THERE IS NO WARRANTY RELATING TO TITLE, POSSESSION, QUIET ENJOYMENT, OR THE LIKE IN THIS SALE. The sale will be without prejudice to the rights and remedies which Secured Party now has or may hereafter acquire against the Debtor and any and all guarantors of the obligations of Debtor, all of which are hereby expressly reserved. This Notice is without prejudice to Secured Party's right to proceed against Collateral by other methods, including (but not limited to) the direct collection of accounts, general intangibles and other sums owing to the Debtor.

Debtor is entitled to an accounting of the unpaid indebtedness secured by the Collateral that Secured Party intends to sell or license, as applicable. Debtor may request an accounting by calling Ms. Terri Sandridge at 214-515-4064.

Secured Party:

THE FROST NATIONAL BANK, a national banking association, doing business as Frost Capital Group

By



Leo D. Plotkin, its Attorney

EXHIBIT A
TO
NOTICE OF DISPOSITION OF COLLATERAL

VIA OVERNIGHT COURIER AND REGISTERED MAIL

Panelite, Inc.
616 N. Macarthur Blvd.
Oklahoma City, OK 73127
Attn: Veleta E. Barnhart

Ms. Veleta Barnhart
c/o Panelite, Inc.
616 N. Macarthur Blvd.
Oklahoma City, OK 73127

Ms. Veleta Barnhart
1623 Saratoga Way
Edmond, OK 73003

Fellers, Snider, Blankenship, Bailey
& Tippens, P.C.
100 N. Broadway Ave., Suite 1700
Oklahoma City, OK 73102
Attn: Stephen J. Moriarty, Esq.

Leslie C. Barnhart
2612 S.W. 93rd
Oklahoma City, OK 73159

[continued on next page]

EXHIBIT B
TO
NOTICE OF DISPOSITION OF COLLATERAL

[continued from previous page]

VIA FIRST CLASS MAIL AND REGISTERED MAIL

Frontier State Bank
5100 South I-35
Oklahoma City, OK 73143
Attn: Steve Tritten

C. Craig Cole & Associates
317 Northwest Twelfth Street
Oklahoma City, OK 73103
Attn: C. Craig Cole, Esq. /
Greg A. Young, Esq.

Associates Leasing Inc.
8001 Ridgepoint Drive
Irving, TX 75063

Dell Financial Services LP
12234 NIH 35 Bldg B
Austin, TX 78753

EXHIBIT C
TO
NOTICE OF DISPOSITION OF COLLATERAL

The Collateral consists of all right, title and interest of Debtor in and to all of the following, whether now owned or hereafter arising or acquired and wherever located: all Property, including without limitation, cash or other proceeds, in which Secured Party shall have a security interest pursuant to Section 2.01 of the Security Agreement (copies of which Section 2.01, and the "Exhibit A" and "Schedule I" and "Schedule II" referenced therein, are attached hereto).

"Property" shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Security Agreement" shall mean that certain Security Agreement, dated as of April 28, 2008 (as may from time to time be amended, supplemented, revised or restated), between Debtor and Secured Party.

[continued on next page]

ARTICLE II
SECURITY INTEREST

Section 2.01 Grant of Security Interest. Debtor hereby grants and confirms that it has granted to Secured Party a security interest in, a general lien upon, and a right of set-off against the following described Property:

(a) all of Debtor's accounts of any kind (including all leases) whether now existing or hereafter arising (herein called the "Accounts"); all chattel papers (including electronic chattel papers, hereinafter collectively referred to as "chattel papers"), documents and instruments whether now existing or hereafter arising relating to the Accounts; all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Accounts or any such chattel papers, documents and instruments; and all returned or repossessed goods arising therefrom or relating to any Accounts, or other proceeds of any sale or other disposition of inventory;

(b) all of Debtor's investment property and general intangibles of any kind whether now existing or hereafter arising including, without limitation the following (herein called the "General Intangibles"):

(i) all leases of real or personal property;

(ii) all copyrights, trademarks, trademark registrations and applications for registration, trade names, corporate names, trade styles, service marks, logos, other source and business identifying marks, together with any goodwill associated therewith, and all patents, patent applications, and all renewals, extensions and continuations in part of the above, any written agreement granting any right to use any copyright, trademark, trademark application or registration, patent, patent application or registration, and the right to sue for past, present and future infringements of the foregoing including the Intellectual Property Collateral set forth in Exhibit A attached hereto (herein called the "Intellectual Property Collateral"); and

(iii) all chattel papers, documents and instruments whether now existing or hereafter arising relating to the General Intangibles; and all rights now or hereafter existing in and to all security agreements, leases, licenses and other contracts securing or otherwise relating to any General Intangibles or such chattel papers, documents and instruments;

(c) all of Debtor's inventory, machinery, equipment, furniture, fixtures and parts in all of their forms, whether now owned or hereafter acquired and wherever located, all parts thereof and all accessions or additions thereto and products thereof, whether now owned or hereafter acquired (any and all such inventory, machinery, equipment, furniture, fixtures, parts, accessions, additions and products herein called the "Goods"); and including, without limiting the foregoing, the Goods located at Debtor's

places of business listed on Schedule I attached hereto; all chattel papers, documents and instruments whether now existing or hereafter arising relating to the Goods; and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any Goods or any such chattel papers, documents and instruments;

(d) in the event that any of the Goods are or will become so related to any particular real estate that an interest in such Goods arises under the real estate law of the state in which the Goods are located or is or will be installed in or affixed to other goods of such type, a description of such real estate or other goods is contained in Schedule II hereto and the name of the record owner of such real estate is contained in Schedule II hereto;

(e) all of Debtor's chattel papers, notes, documents and instruments (herein called the "Instruments") whether now existing or hereafter arising; and all rights now or hereafter existing in and to all security agreements, leases and other contracts securing or otherwise relating to any such chattel papers, documents and instruments;

(f) any additional Properties from time to time delivered to or deposited with Secured Party or any agent bank of Secured Party, whether as security for the Indebtedness or otherwise;

(g) all commercial tort claims, deposit accounts, letter of credit rights, payment intangibles or software; and

(h) the proceeds, products, additions, substitutions and accessions of and to any and all of the foregoing Property; and all of Debtor's books, records, reports, memoranda and data compilations, in any form (including, without limitation, corporate and other business records, customer lists, credit files, computer programs, printouts and any other computer materials and records), of Debtor pertaining to any and all of the foregoing Property.

Section 2.02 Indebtedness Secured. The security interest in, general lien upon, and right of set-off against the Collateral is granted to Secured Party to secure the Indebtedness (as defined in the Agreement).

Section 2.03 Limited License. Debtor hereby grants to Secured Party a limited license in Debtor's trade names, trademarks and service marks for purposes of allowing Secured Party to use the same in connection with any foreclosure sale or any other disposition pursuant to the Code or this Security Agreement.

EXHIBIT A
Listing of Intellectual Property Collateral

PATENTS

DATE ISSUED	NUMBER	DESCRIPTION
November 19, 2004	13707	Marker Light (Mexico)
November 30, 2000	90947	Marker Light (Canada)
February 8, 2000	D420302	Marker Light (United States)

TRADEMARKS

DATE ISSUED	NUMBER	DESCRIPTION
Filing: December 15, 2003 Published for Opposition: November 15, 2005 Registration: February 7, 2006	Serial: 76568071 Registration: 3056816	Panelite Custom Truck Accessories

COPYRIGHTS

DATE ISSUED	NUMBER	DESCRIPTION
None.		

Exhibit B
Goods covered by a Certificate of Title

The following motor vehicles are registered in the State of Oklahoma to Panelite, Inc.:

VEHICLES				
	YEAR	MAKE	MODEL	SERIAL NUMBER
1.	1985	GMC	VALUE VAN 35	1GTHP32M3P3506736
2.	1991	FORD	F-250	1FTHF25H6MKA98215
3.	1991	DODGE	RAM 350	1B7ME3682MS242459
4.	1997	FORD	EXPLORER XLT	1FMDU32EXVZB93613
5.	2000	CHEVROLET	3500	1GBJC34J0YF410150
6.	2006	CHEVROLET	C-1500	2GCEC19T561115061
7.	1999	CHEVROLET	SILVERADO 1500 LS, EXTENDED CAB	2GCEC19T4X1180730
8.	2006	CHEVROLET	C-1500	1GCEC19TX6Z110798

TRAILERS				
	YEAR	MAKE	MODEL	SERIAL NUMBER
1.	1997	VAN TRAILER	UTILITY MDL. VS2DC	1UYVS2533VP279801
2.		VAN TRAILER	UTILITY	

Security Agreement
471092

Schedule I

Locations of Debtor's Businesses

1. 616 N. Macarthur Blvd., Oklahoma City, Oklahoma 73127
2. 5621 N.W. 5th Street, Oklahoma City, Oklahoma 73127

Security Agreement
471092

TRADEMARK
REEL: 004190 FRAME: 0825

Schedule II

Legal Description of Debtor's Property

[Attached]

Security Agreement
471092

LEGAL DESCRIPTION

A tract of land in the South half (S/2) of the Northwest Quarter (NW/4) of Section Thirty-four (34), Township Twelve (12) North, Range Four (4) West of the Indian Meridian, Oklahoma County, Oklahoma, more particularly described as follows:

Commencing at the Southwest corner of the Northwest Quarter (NW/4) of Section Thirty-four (34);

Thence North 00°00'24" East along the West line of said Section Thirty-four (34) a distance of 605.76 feet to the point of beginning;

Thence continuing North 00°00'24" East along the West line of said Section Thirty-four (34) a distance of 383.31 feet;

Thence South 89°50'44" East a distance of 1010.00 feet;

Thence South 00°00'24" West a distance of 260.00 feet;

Thence North 89°51'16" West a distance of 410.00 feet;

Thence South 00°00'07" East a distance of 122.79 feet;

Thence North 89°53'23" West a distance of 600.02 feet to the point of beginning.

And

A part of the Northwest Quarter (NW/4), Section Thirty-four (34), Township Twelve (12) North, Range Four (4) West, L.M., Oklahoma County, Oklahoma, more particularly described as follows:

Commencing at the Southwest Corner of the Northwest Quarter (NW/4), of said Section Thirty-four (34);

Thence North 00°00'24" East along the west line of said Section Thirty-four (34), a distance of 324.68 feet to the point of beginning;

Thence continuing North 00°00'24" East along the west line of said Section Thirty-four (34), a distance of 281.08 feet;

Thence South 89°53'23" East a distance of 600.02 feet;

Thence North 00°00'07" West a distance of 122.79 feet;

Thence South 89°51'16" East a distance of 47.88 feet;

Thence South 00°00'07" East a distance of 285.26 feet to a point on the south line of an easement for water line granted to the City of Oklahoma City by instrument recorded in Book 2048, page 164 of the records of Oklahoma County, State of Oklahoma, and the north right-of-way line of NW 5th Street;

Thence South 79°44'13" West along said south easement line and north right-of-way line of NW 5th Street, a distance of 658.47 feet to the point or place of beginning.

EXHIBIT E

PEACEFUL POSSESSION AGREEMENT

PEACEFUL POSSESSION AGREEMENT

This Peaceful Possession Agreement (this "Agreement") is entered into as of February 22, 2010 among: (I) THE FROST NATIONAL BANK, a national banking association, doing business as Frost Capital Group ("Lender"); (II) PANELITE, INC., an Oklahoma corporation ("Borrower"); and (III) Veleta E. Barnhart, an individual residing in the state of Oklahoma ("Individual Guarantor"; and also a "Guarantor"). (Borrower and Guarantor are referred to herein, individually and collectively, as "Loan Party".)

This Agreement is entered into with reference to the following facts:

A. Lender and the Borrower are parties to, among other Loan Documents, that certain Loan Agreement dated as of April 28, 2008 (as amended, restated, supplemented, or otherwise modified from time to time, the "Loan Agreement"), and that certain Security Agreement dated as of April 28, 2008 (as amended, restated, supplemented, or otherwise modified from time to time, the "Security Agreement"). Without limiting the generality of the foregoing, each of the Loan Agreement and the Security Agreement is modified by the applicable provisions of that certain Forbearance Agreement and Amendment to Loan Documents, dated as of June 30, 2009 (the "June 2009 Amendment"), by and among Lender, Borrower, and Guarantor. (Capitalized terms used in this Agreement, which are not defined herein, shall have the meanings set forth in the Loan Agreement or the Security Agreement, as the case may be.)

B. Material Events of Default (including the "Specified Defaults" defined in the June 2009 Amendment and one or more "Additional Defaults" defined in the June 2009 Amendment) have occurred, both prior to and subsequent to the June 2009 Amendment Date, and are continuing under the Loan Agreement.

C. Individual Guarantor has executed and delivered to the Lender that certain Guaranty Agreement dated as of April 28, 2008 with respect to the "Indebtedness" (as defined therein) of Borrower (as amended, restated, supplemented, or otherwise modified from time to time, the "Individual Guaranty") and that certain Subordination Agreement dated as of April 28, 2008 with respect to the "Senior Debt" (as defined therein) (as amended, restated, supplemented, or otherwise modified from time to time, the "Shareholder Subordination Agreement").

D. Borrower desires to surrender, deliver and grant to Lender peaceful possession of the Collateral.

The parties agree as follows:

1. Surrender of Collateral.

(a) Borrower hereby surrenders, delivers and grants to Lender peaceful possession of the Collateral (as such term is defined in the Security Agreement) wherever located (and, pursuant to the June 2009 Amendment, the Collateral includes without limitation the Mortgaged Property), and the products and proceeds thereof. Such surrender and delivery of such Collateral to Lender is in recognition of the rights of Lender as a secured party under the UCC and other applicable law. Borrower knowingly waives any rights that Borrower may have to notice and a hearing

before any court of competent jurisdiction and consents to Lender's possession, sale, transfer, license or other disposition of or realization on the Collateral. Borrower agrees that Lender may, at any time, take such action as it may deem appropriate with respect thereto, and Lender may, at any time, exercise its rights to dispose of any and all such Collateral as provided for under the Loan Documents and applicable law, without prejudice to any or all of the rights of Lender. All proceeds of the Collateral received and retained by Lender shall be applied by Lender to the Indebtedness in such order and manner as Lender shall determine. Borrower and Guarantor shall be and remain liable for any deficiency until all Indebtedness is fully and indefeasibly paid and satisfied. Nothing herein will limit or be deemed to limit any rights or interests of Lender with respect to Collateral not expressly surrendered, delivered, or granted to Lender hereunder. After the date hereof, Borrower shall continue to cooperate with Lender in all reasonable respects concerning the surrender, disposition and realization of the Collateral.

(b) Borrower will execute and deliver to Lender notification letters signed by Borrower addressed to such of Borrower's Account Debtors as Lender shall require, or at Lender's option, addressed in blank, to be completed, and/or sent by Lender hereafter from time to time, directing payment to Lender of Borrower's Accounts or other monies due to Debtor.

(c) Borrower hereby confirms that Borrower does not have sufficient working capital to continue its business or the means to protect the Collateral.

(d) For the avoidance of doubt, this Agreement does not constitute, and is not intended to constitute, either a proposal or an agreement by Lender to retain or receive any Collateral in partial or full satisfaction of the Indebtedness within the meaning of Sections 9620, et seq., of the UCC. That said, Borrower hereby waives all of its rights to notification or otherwise under Section 9611 of the UCC as to the sale or other disposition of the Collateral, under Section 9620 of the UCC regarding acceptance of the Collateral as discharge of the Indebtedness, and under Section 9623 of the UCC regarding Borrower's right to redeem the Collateral.

(e) Lender and Loan Parties hereby acknowledge and agree that, for purposes of this Section 2, the firm of Investment Recovery Services (including Mr. Gregg Trenor of such firm), with an address at 3421 North Sylvania Avenue, Fort Worth, TX 76111, is acting as an agent of Lender and will accept, for and on behalf of Lender, Borrower's surrender and delivery of the Collateral under this Section 2. Accordingly, unless otherwise expressly instructed by Lender in writing, Borrower shall surrender and deliver the Collateral to Lender in care of the firm of Investment Recovery Services (attention: Mr. Gregg Trenor).

2. Representations and Warranties. In order to induce Lender to execute, deliver, and perform this Agreement, each Loan Party warrants and represents to Lender that:

2.1. Intent. This Agreement is not being made or entered into with the actual intent to hinder, delay, or defraud any entity or person;

2.2. No Bankruptcy. No action or proceeding, including, without limitation, a voluntary or involuntary petition for bankruptcy under any chapter of the Federal Bankruptcy Code, has been instituted by or threatened against any Loan Party;

2.3. No Violation. The execution of this Agreement by each Loan Party and the performance by each Loan Party of its obligations hereunder will not violate or result in a breach or constitute a default under any agreements to which it is a party; and

3. General Provisions.

3.1. Integration; Amendment. This Agreement and the other Loan Documents set forth in full the terms of agreement between the parties and are intended as the full, complete and exclusive contract governing the relationship between the parties. This Agreement and the other Loan Documents supersede all other discussions, promises, representations, warranties, agreements and understandings between the parties, and no Loan Party is acting in reliance on any representation, understanding, or agreement not expressly set forth herein. All of the Indebtedness, and all of the Loan Documents and all terms and provisions thereof shall continue in full force and effect and the same are hereby ratified and confirmed. This Agreement may not be modified or amended, nor may any rights hereunder be waived, except in a writing signed by the party against whom enforcement of the modification, amendment or waiver is sought. Nothing herein limits any of the covenants, agreements, representations or warranties in the Loan Agreement or any of the other Loan Documents.

3.2. Investigation. Each of the parties acknowledges that it and its counsel have had an adequate opportunity to make whatever investigation or inquiry they may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof and the delivery and acceptance of the consideration specified herein. Each party acknowledges that (i) each has been represented by independent counsel of its own choice throughout all of the negotiations which preceded the execution of this Agreement, (ii) each has executed this Agreement with the consent and on the advice of such independent legal counsel, and (iii) each has executed this Agreement voluntarily and knowingly.

3.3. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns, provided, however, that Loan Parties may not assign or transfer any rights hereunder without the prior written consent of Lender.

3.4. Recitals. The recitals herein are confirmed by the parties as true and correct and are incorporated herein by reference. The recitals are a substantive, contractual part of this Agreement.

3.5. Separability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

3.6. Headings; Counterparts. The headings in this Agreement are solely for convenience and shall be given no effect in the construction or interpretation of this Agreement. This Agreement may be executed in any number of counterparts, which together shall constitute one and the same agreement.

3.7. Reaffirmation of Waiver of Consumer Rights. Section 8.23 of the Loan Agreement reads as follows:

"Section 8.23 DTPA Waiver. Borrower acknowledges and agrees, on Borrower's own behalf and on behalf of any permitted assigns and successors hereafter, that the DTPA is not applicable to this transaction. Accordingly, Borrower's rights and remedies with respect to the transaction contemplated under this Agreement and with respect to all acts or practices of Lender, past, present or future, in connection with such transaction, shall be governed by legal principles other than the DTPA. In furtherance thereof, Borrower agrees as follows:

Borrower represents that Borrower has the knowledge and experience in financial and business matters that enable Borrower to evaluate the merits and risks of the business transaction that is the subject of this Agreement. Borrower also represents that Borrower is not in a significantly disparate bargaining position in relation to Lender. Borrower has negotiated the loan documents with Lender at arm's length and has willingly entered into the loan documents.

Borrower represents that (i) Borrower has been represented by the firm of Fellers, Snider, Blankenship, Bailey & Tippens, P.C., as legal counsel in the transaction contemplated by this Agreement and (ii) such legal counsel was not directly or indirectly identified, suggested or selected by Lender or an agent of Lender.

This Agreement relates to a transaction involving total consideration by Borrower of more than \$100,000.00 and does not involve Borrower's residence.

Borrower agrees, on Borrower's own behalf and on behalf of Borrower's permitted assigns and successors, that all of Borrower's rights and remedies under the DTPA are WAIVED AND RELEASED, including specifically, without limitation, all rights and remedies under the DTPA resulting from or arising out of any and all acts or practices of Lender in connection with this transaction, whether such acts or practices occur before or after the execution of this Agreement.

In furtherance thereof, Borrower agrees that by signing this Agreement, Borrower and any permitted assigns and successors are bound by the following waiver:

WAIVER OF CONSUMER RIGHTS. BORROWER HEREBY WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES—CONSUMER PROTECTION ACT, SECTION 17.41 *ET SEQ.* BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF BORROWER'S OWN SELECTION, BORROWER VOLUNTARILY CONSENTS TO THIS WAIVER.

**BORROWER HAS READ AND UNDERSTANDS SECTION 8.23
HEREOF:**

JB (INITIALS) (BORROWER)"

By initialing above where indicated, Borrower hereby agrees to and reaffirms Section 8.23 of the Loan Agreement.

3.8. Governing Law; Venue; Jury Trial Waiver. This Agreement is a Loan Document and is an integral part of the Loan Agreement. Without limiting the generality of the foregoing, Sections 8.09 [Construction], 8.15 [Performance and Venue], and 8.22 [Waiver of Trial by Jury] of the Loan Agreement apply, *mutatis mutandis*, to this Agreement.

[Remainder of Page Intentionally Left Blank, Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed (by their respective officers thereunto duly authorized, if such party is not an individual) as of the date set forth in the initial caption of this Agreement.

Lender:

THE FROST NATIONAL BANK, a national banking association, doing business as Frost Capital Group

By Terr: Sandridge
Name Terr: Sandridge
Title VP

Borrower:

PANELITE, INC., an Oklahoma corporation

By Barnhart
Name VELETA E. BARNHART
Title PRESIDENT

Individual Guarantor:

Barnhart
Veleta E. Barnhart, an individual