

SECURITY AGREEMENT

Grantor

ISM, Inc.
c/o Reward Wall Systems, Inc.
4115 South 87th Street
Omaha, Douglas County, NE 68127

Secured Party

Airlite Plastics Co.
914 North 18th Street
Omaha, Nebraska 68102

For valuable and sufficient consideration, ISM, Inc. (hereinafter referred to as "Grantor"), as security for all of Reward Wall Systems, Inc.'s ("Debtor") indebtedness and liabilities of whatever nature to Airlite Plastics Co. ("Secured Party") under the terms of the promissory note in the original principal amount of \$500,000 dated April 30, 1998 (the "Promissory Note") and all renewals and extensions thereof, hereby grants to Secured Party a security interest in the following property, whether now owned or hereafter acquired (the "Collateral"):

- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CONCRETE FORMING SYSTEM WITH EXPANDED METAL TIE" which patent Debtor represents is U.S. Patent # 5,568,710.
- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "WALL CLIP FOR CONCRETE FORMING SYSTEM" which patent Debtor represents is U.S. Patent # 5,454,199.
- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CONCRETE FORMING SYSTEM WITH BRACE TIES" which patent Debtor represents is U.S. Patent # 5,566,518.
- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CONCRETE FORM" which patent Debtor represents is U.S. Patent # (application abandoned).
- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CONCRETE FORMING SYSTEM WITH BRACE TIES" which patent Debtor represents is U.S. Patent # 5,709,060.
- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CORNER FORM" which patent Debtor represents is U.S. Patent # (application to be abandoned).
- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CONCRETE FORMING SYSTEM WITH BRACE TIES" which patent Debtor represents is U.S. Patent # (awaiting further action from U.S. Patent Office).

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- A patent, and all patent rights, modifications, substitutions, drawings, patent applications and improvements related thereto, on "CONCRETE FORMING SYSTEM WITH BRACE TIES" which patent Debtor represents is U.S. Patent # (awaiting further action from PCT Office).
- A trademark, and all rights, modifications, substitutions and applications and improvements related thereto, on "3-10 and Design" which trademark Debtor represents is Registration Number 1,726,439.
- A trademark, and all rights, modifications, substitutions and applications and improvements related thereto, on "REWARD WALL SYSTEMS" which trademark Debtor represents is Registration Number 1,996,136.
- A copyright, and all rights, modifications, substitutions and applications and improvements related thereto, on "STRUCTURAL AND PERFORMANCE DATA FOR REWARD WALL SYSTEM'S FORMS" which Copyright Debtor represents is Registration Number TX 4-072-529.
- A copyright, and all rights, modifications, substitutions and applications and improvements related thereto, on "STRUCTURAL AND PERFORMANCE DATA FOR REWARD WALL SYSTEM'S FORMS" which Copyright Debtor represents is Registration Number TX 4-347-151.
- A copyright, and all rights, modifications, substitutions and applications and improvements related thereto, on "REWARD WALL SYSTEMS INSTALLATION, STRUCTURAL AND PERFORMANCE MANUAL FOR REWARD FORMS" which Copyright Debtor represents is Registration Number TX 4-527-858.

together with all substitutions and replacements for and products of any of the foregoing property and together with proceeds of any and all of the foregoing property and all improvements, accessions, additions to, accessories, attachments, parts, and repairs now or hereafter attached or affixed to or used in connection with any such property.

Grantor warrants that Grantor is the owner of the Collateral and, except for any and all liens currently held by American National Bank, Omaha, Nebraska, there are no other encumbrances or liens on the Collateral.

Grantor is a corporation organized under the laws of the State of Kansas. The Collateral will be used for business purposes.

This Agreement is governed by the laws of the state of Nebraska.

The occurrence of any one or more of the following constitutes an Event of Default hereunder:

- (a) An event of default under the terms of this Security Agreement, the Promissory Note, the Loan Agreement dated April 30, 1998 by and between Debtor and Secured Party, or the Manufacturing Agreement dated April 30, 1998 by and between Debtor and Secured Party.
- (b) Insolvency or bankruptcy of the Debtor.

If an Event of Default occurs, Secured Party may exercise one or more of the following remedies:

- (a) Accelerate the due date of all amounts evidenced by the Promissory Note, making all sums immediately due and payable, without presentment or other notice of demand.
- (b) Take ownership of any or all of the patents included as part of the Collateral, and exercise any and all rights and privileges associated with such patents.
- (c) Exercise any remedy Secured Party may have under the Promissory Note and the Agreement.
- (d) Exercise any remedy Secured Party may have under state or federal law.

This Agreement cannot be waived, modified, amended or terminated and the security interest granted hereunder cannot be released, unless agreed to in a writing signed by Secured Party. This Security Agreement remains in effect until the Promissory Note, and any and all extensions and renewals thereof, are paid in full. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Secured Party's rights or remedies. This Agreement shall be binding upon and inure to the benefit of Grantor and Secured Party and their respective heirs, representatives, successors and assigns and shall take effect when signed by Grantor and delivered to Secured Party, and Grantor waives notice of Secured Party's acceptance hereof. If any provision or application of the Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect, and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. No waiver by the Secured Party of any default shall be effective unless in writing nor operate as a waiver of any other default or of the same default on a future occasion.

Executed April 30, 1998.

Grantor:
ISM, INC.

By: Edward J. Stern

Title: PRESIDENT

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Secured Party:
AIRLITE PLASTICS CO.

By: Brad Lindley

Title: PRESIDENT