

481-40482-100

07-13-1998

FORM PTO-1594 (Rev. 6-93) OMB No. 0651-0011 (exp. 4/94)



COVER SHEET ONLY

U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

100760850

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Ricon Corp.

MLP 7-13-98

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

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

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

Execution Date: July 2, 1998

2. Name and address of receiving party(ies)

Name: Antares Leveraged Capital Corp.

Internal Address: Suite 2725

Street Address: 311 South Wacker Drive

City: Chicago State: IL ZIP: 60606

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

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

See attached Schedule A.

B. Trademark Registration No.(s)

See attached Schedule A.

Additional numbers attached? Yes No

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

Name: Anne K. Berg, Esq.

Internal Address: Suite 2700

Street Address: 180 North LaSalle Street

City: Chicago State: IL ZIP: 60601

6. Total number of applications and registrations involved:

5

7. Total fee (37 CFR 3.41):

\$140

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Signature of Anne K. Berg

Name of Person Signing

Signature

Date 7/8/98

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

22

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignment DEMARK Washington, D.C. 20231

REEL: 1751 FRAME: 0272

Vertical stamp: 07/13/1998 15:30:56 000001 533056 01 FC:481 02 FC:482

Schedule A

Registered Trademarks

<u>Registration No.</u>	<u>Trademark</u>	<u>Date Registered</u>	<u>Serial No.</u>
1,530,561	RICON	March 21, 1989	727,657
1,563,061	SPIRIT SWING LIFT	October 31, 1989	790,976
1,930,307	ACTIVAN	October 24, 1995	74-512,226
2,024,317	ECLIPSE	December 17, 1996	74-537,237
2,027,471	ACCESSIBILITY WITH STYLE	December 31, 1996	74-537,236

Applications

None.

COLLATERAL ASSIGNMENT OF TRADEMARKS

This 2nd day of July, 1998, Ricon Corp., a California corporation ("*Assignor*"), with its principal place of business and mailing address at 12450 Montague Street, Pacoima, California 91331, in consideration for ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, grants to Antares Leveraged Capital Corp., a Delaware corporation (together with its successors and assigns, "*Assignee*") for the benefit of Assignee and Jackson National Life Insurance Company, a Michigan life insurance corporation, a continuing security interest in the following property:

(i) Each trademark, trademark registration and trademark application listed on **Schedule A** hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration and trademark application; and

(ii) All proceeds of the foregoing, including without limitation any claim by Assignor against third parties for damages (to the extent not effectively prohibited by an applicable and legally enforceable license agreement) by reason of past, present or future infringement of any trademark or trademark registration listed in **Schedule A** hereto or by reason of injury to the goodwill associated with any such trademark or trademark registration or trademark license, in each case together with the right to sue for and collect said damages:

to secure performance of all Liabilities of Assignor as set out in that certain Intellectual Property Security Agreement dated as of July 2, 1998 by and between Assignor and Assignee (the "*Agreement*").


Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignee with respect to the security interest in the trademarks, trademark registrations and trademark applications made and granted hereby are more fully set forth in the Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

All terms defined in the Agreement, whether by reference or otherwise, when used herein, shall have their respective meanings set forth therein, unless the context requires otherwise.

IN WITNESS WHEREOF, Assignor has caused this Collateral Assignment of Trademarks to be duly executed as of the date and year first written above.

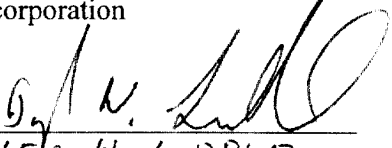
ASSIGNOR:

RICON CORP., a California corporation

By: 
Name: JULES FORNIBLA
Title: CEO

ASSIGNEE:

ANTARES LEVERAGED CAPITAL CORP., a Delaware corporation

By: 
Name: TYLER W. LINDBLAD
Title: DIRECTOR

STATE OF California
COUNTY OF Los Angeles) SS

On this 2nd day of July, 1998, before me personally appeared the above-named Jules Tremblay, to me known, who being by me duly sworn according to law, on his oath stated that he is the CEO of RICON CORP. and acknowledged that he signed, sealed and delivered the foregoing instrument as the free and voluntary act and deed of said corporation.

Laura Floyd
Notary Public

My Commission Expires:

June 29, 2001



Schedule A

Registered Trademarks

<u>Registration No.</u>	<u>Trademark</u>	<u>Date Registered</u>	<u>Serial No.</u>
1,530,561	RICON	March 21, 1989	727,657
1,563,061	SPIRIT SWING LIFT	October 31, 1989	790,976
1,930,307	ACTIVAN	October 24, 1995	74-512,226
2,024,317	ECLIPSE	December 17, 1996	74-537,237
2,027,471	ACCESSIBILITY WITH STYLE	December 31, 1996	74-537,236

Applications

None.

RICON CORP.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (the "Agreement"), dated as of July 2, 1998 is made by and between Ricon Corp., a California corporation (together with its successors and assigns "Borrower"), and Antares Leveraged Capital Corp. as agent (together with its successors and assigns, "Agent") for the benefit of Agent and the "Lenders" (as such term is hereinafter defined).

WHEREAS, on the date hereof, Borrower, Agent, as agent and as a lender, and Jackson National Life Insurance Company, a Michigan life insurance corporation (together with Agent as a lender, the "Lenders"), have entered into that certain Credit Agreement dated of even date herewith (as from time to time amended, modified or supplemented in accordance with its terms, the "Credit Agreement") providing for the Lenders to make available to Borrower certain term and revolving credit facilities (such term and revolving credit facilities collectively referred to herein as the "Loans"); and

WHEREAS, Borrower has adopted certain trademarks and service marks, as identified herein and in Schedule A annexed hereto and made a part hereof; and

WHEREAS, Borrower is the owner and holder of certain patents, patent applications, inventions and trade secret information, as identified herein and in Schedule B annexed hereto and made a part hereof; and

WHEREAS, Borrower is the owner of the copyrights in certain works of authorship, as described herein and in Schedule C annexed hereto and made a part hereof; and

WHEREAS, as of the date hereof, Borrower and the Agent, for the benefit of the Lenders, have entered into a Security Agreement (the "Security Agreement") pursuant to which Borrower has pledged substantially all of its assets to the Agent, for the benefit of the Lenders, as security for all obligations and liabilities of Borrower for payment and performance under, arising out of or in connection with the Credit Agreement (all of such obligations and liabilities being hereinafter referred to as the "Liabilities"); and

WHEREAS, to induce the Lenders to enter into the Credit Agreement and to extend credit thereunder, and to better evidence and perfect the liens granted to Agent, for the benefit of the Lenders, in the Security Agreement, Borrower has agreed to pledge and grant a security interest in the IP Collateral (as hereinafter defined) as security for the Liabilities;

NOW, THEREFORE, IT IS AGREED that, for and in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as collateral security for the prompt

payment in full when due (whether at stated maturity, by acceleration or otherwise) of the Liabilities, Borrower hereby pledges and grants to Agent, for the benefit of the Lenders, a lien and security interest, subject only to Permitted Liens, in all of Borrower's right, title and interest in and to the following property and interests in property, whether now owned by Borrower or hereafter acquired and whether now existing or hereafter coming into existence (all being collectively referred to herein as "IP Collateral"):

(a) all of Borrower's right, title and interest in and to trademarks, trade names, trade styles, service marks, logos, emblems, prints and labels, all elements of package or trade dress of goods, and all general intangibles of like nature, now existing or hereafter adopted or acquired by Borrower, together with the goodwill of Borrower's business connected with the use thereof and symbolized thereby, and all applications, registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States or in any office of the Secretary of State (or equivalent) of any state thereof, or in any similar office or agency of any country or political subdivision thereof throughout the world, whether now owned or hereafter acquired by Borrower, including, but not limited to, those described in Schedule A annexed hereto and made a part hereof, together with all extensions, renewals and corrections thereof and all licenses thereof or pertaining thereto (all of the foregoing assets encompassed by this subparagraph (a) being hereinafter collectively referred to as the "Trademarks");

(b) all of Borrower's right, title and interest in and to all inventions and letters patent and applications therefor, and all registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States or any state thereof, or in any similar office or agency of any country or political subdivision thereof throughout the world, whether now owned or hereafter acquired by Borrower, including, but not limited to, those described in Schedule B annexed hereto and made a part hereof, together with all re-examinations, reissues, continuations, continuations-in-part, divisions, improvements and extensions thereof and all licenses thereof or pertaining thereto and all licenses of patent rights to Borrower now in effect or entered into during the term of this Agreement, and the rights to make, use and sell, and all other rights with respect to, the inventions disclosed or claimed therein, all inventions, designs, proprietary or technical information, know-how, other data or information, software, databases, all embodiments or fixations thereof and related documentation, all information having value in connection with the Borrower's business, and all other trade secret rights not described above (all of the foregoing assets encompassed by this subparagraph (b) being hereinafter collectively referred to as the "Patents");

(c) all of Borrower's right, title and interest in and to copyrights in works of authorship of any kind, and all applications, registrations and recordings thereof in the Office of the United States Register of Copyrights, Library of Congress, or in any similar office or agency of any country or political subdivision thereof throughout the world, whether now owned or hereafter acquired by Borrower, including, but not limited to, those described in Schedule C annexed hereto and made a part hereof, together with all extensions, renewals, reversionary rights, and corrections thereof and

all licenses thereof or pertaining thereto (all of the foregoing assets encompassed by this subparagraph (c) hereinafter collectively referred to as the "Copyrights");

(d) all of Borrower's customer lists and other records of Borrower relating to the distribution of products bearing, constituting or incorporating the Trademarks, Patents and Copyrights; and

(e) any and all proceeds of the foregoing, including, without limitation, the proceeds from any claims by Borrower against third parties for past, present or future infringement of the Trademarks, Patents or Copyrights and any royalties from licenses to third parties of the Trademarks, Patents or Copyrights.

Notwithstanding any of the foregoing premises to the contrary, the grant of a security interest as provided herein shall not extend to, and the term "IP Collateral" shall not include, any property of Debtor (whether owned or held as licensee or lessee, or otherwise), to the extent that (i) such property is not assignable or capable of being encumbered as a matter of law or under the terms of the license or other agreement applicable thereto (but solely to the extent that any such restriction shall be enforceable under applicable law), without the consent of the licensor thereof or other applicable party thereto and (ii) such consent has not been obtained; provided, however, that the foregoing grant of security interest shall extend to, and the term "IP Collateral" shall include, any proceeds of any property which is otherwise excluded under phrase (i) to the extent that assignment or encumbrance of such proceeds is not restricted.

1. Borrower hereby represents, warrants, covenants and agrees as follows:

(a) Borrower has the sole, full and clear title to the Trademarks for the goods and services with which the Trademarks are used (except as provided in paragraph 1(g) below and in Schedule A attached hereto). The registrations of the Trademarks are valid and subsisting and in full force and effect. Borrower has not granted a license or otherwise agreed to allow any third party, other than its Subsidiaries in the Ordinary Course of Business, to use any Trademark (except as provided in Schedule A attached hereto). Borrower has used and will continue to use for the duration of this Agreement standards of quality in the manufacture of products sold under the Trademarks that are at least equal to those standards in effect as of the date of this Agreement to the extent that the failure to do so would have a Material Adverse Effect.

(b) Borrower (either itself or through its licensees) will continue to use the Trademarks on each and every trademark class of goods applicable to its current lines of goods as reflected in its current catalogs, brochures and price lists in order to maintain the Trademarks in full force and effect, in the ordinary course of business, free from any claim of abandonment for nonuse and Borrower will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated *provided, however*, that Borrower may abandon any Trademark if Borrower believes in its reasonable business judgment that such abandonment is in the best interest of Borrower's business, *provided, further*, that (i) Borrower gives

the Agent prompt written notice of Borrower's intent to abandon any Trademark at least 30 days prior to abandonment, and (ii) such abandonment will not, itself or in conjunction with any other event, materially decrease the value of the IP Collateral.

(c) Borrower has the sole, full and clear title to the Patents shown on Schedule B hereto and such patents are valid and subsisting and in full force and effect and have not been adjudged or, to Borrower's knowledge, claimed invalid or unenforceable in whole or in part (except as provided in paragraph l(g) below and in Schedule B attached hereto). Borrower has not granted a license or otherwise agreed to allow any third party, other than its Subsidiaries in the Ordinary Course of Business, to use any Patent (except as provided in Schedule A attached hereto). Borrower (either itself or through its licensees) shall mark products made and sold under the Patents in accordance with the U. S. Patent Act and other applicable laws. Borrower shall diligently prosecute any patent application now pending or acquired or made by it during the term of this Agreement, shall make applications on unpatented but patentable inventions, and shall preserve and maintain all rights of any kind in the Patents, which, in each case, Borrower believes in its reasonable business judgment are in the best business interests of Borrower. Borrower believes that none of the Patents has been abandoned or dedicated and Borrower will not do any act, or omit to do any act, nor permit any licensee thereof to do any act, whereby any Patent may become abandoned or dedicated and shall notify the Agent immediately if it knows or has reason to believe that any material Patent may become abandoned or dedicated, *provided, however*, that Borrower may abandon any Patent if Borrower believes in its reasonable business judgment that such abandonment is in the best interest of Borrower's business, *provided, further*, that (i) Borrower gives the Agent prompt written notice of Borrower's intent to abandon any Patent at least 30 days prior to abandonment, and (ii) such abandonment will not, itself or in conjunction with any other event, materially decrease the value of the IP Collateral.

(d) Borrower (either itself or through its licensees) will place appropriate notice of copyright on all copies embodying copyrighted works which are publicly distributed and Borrower will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any Copyright may become invalidated or dedicated to the public domain.

(e) Borrower will promptly perform all acts and execute all documents, including, without limitation, grants of security in forms acceptable to Agent and suitable for recording with (i) the United States Patent and Trademark Office and the United States Register of Copyrights, and (ii) the appropriate offices and agencies of foreign jurisdictions reasonably requested by the Agent at any time to evidence, perfect, maintain, record or enforce the Agent's interest, for the benefit of the Lenders, in the IP Collateral or otherwise in furtherance of the provisions of this Agreement. Borrower hereby authorizes the Agent to execute and file one or more financing statements (and any similar documents) or copies thereof or of this Agreement with respect to the IP Collateral signed only by the Agent (with a copy sent to Borrower).

(f) In the event that Borrower, either itself or through any subsidiary, affiliate, agent, employee, licensee or designee, shall file an application for the issuance of any Patent or registration

of any Trademark with the United States Patent and Trademark Office, or any similar office of the United States or in any office of the Secretary of State (or equivalent) of any state thereof, or for the registration of any Copyright with the United States Register of Copyrights, or for the registration of any Patent, Trademark or Copyright in any similar office or agency of any country or political subdivision thereof throughout the world, or shall obtain issuance of any Patent or registration of any Trademark or Copyright previously applied for, or shall adopt, acquire or obtain rights to any new trademark, patent application or work for which a copyright application has been or is expected to be filed, or become entitled to the benefit of any patent application or any patent or any part thereof for reissue, re-examination, continuation, continuation-in-part, division, improvement or extension, Borrower shall (i) inform the Agent of any such event or action in annual reports which Borrower is required to deliver to the Agent pursuant to Section 4.2(g) of the Credit Agreement and, (ii) execute and deliver any and all assignments, agreements, instruments, documents and papers as are necessary or appropriate or as the Agent may request to evidence the Agent's interest, for the benefit of the Lenders, in such Trademark, Patent or Copyright and the goodwill and general intangibles of Borrower relating thereto or represented thereby. Borrower hereby constitutes the Agent, or its agent, its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Liabilities are paid in full. Borrower authorizes the amendment of the schedules hereto to include any future Trademark, Patent or Copyright registrations or applications which may be acquired or made by Borrower.

(g) Borrower has the authority, right and power to enter into this Agreement and to perform its terms and to grant the security interest herein granted, and has not entered and will not enter into any oral or written agreements which would prevent Borrower from complying with the terms hereof; *provided, however*, Borrower may enter into or maintain in effect such license agreements (including, without limitation, those set forth on Schedules A, B and C hereto) with respect to the IP Collateral as Borrower believes in its reasonable business judgment are in the best interest of Borrower's business, so long as any such license agreement permits the assignment thereof to the Agent for the benefit of the Lenders. The IP Collateral is not, to Borrower's knowledge, now, and at all times will not be, subject to any liens, charges, mortgages, assignments, security interests, licenses, claims, shop rights, covenants not to sue third persons, or encumbrances of any nature whatsoever, except in favor of the Agent for the benefit of the Lenders; *provided, however*, Borrower may enter into such license agreements with respect to the IP Collateral as Borrower believes in its reasonable business judgment are in the best interest of Borrower's business, so long as any such license agreement permits the assignment thereof to the Agent for the benefit of the Lenders. To the best knowledge of Borrower, none of the IP Collateral is subject to any claims of any other party, except as may be indicated on Schedules A, B and C to this Agreement.

(h) Except for Permitted Liens and to the extent that the Agent, upon prior written notice from Borrower, shall consent, Borrower will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive license, or otherwise dispose of any of the IP Collateral, and nothing in this Agreement shall be deemed a consent by the Agent to any such action except as expressly permitted herein.

(i) As of the date hereof Borrower has no Trademarks, Patents or Copyrights registered, or which are the subject of any pending application, in the United States Patent and Trademark Office, or any similar office of the United States or in any office of the Secretary of State (or equivalent) of any state thereof, or the United States Register of Copyrights, or in any similar office or agency of any country or political subdivision thereof throughout the world, other than those identified in Schedules A, B and C hereto.

(j) Borrower will take all commercially reasonable steps in any proceeding before the United States Patent and Trademark Office, United States Register of Copyrights or similar office or agency of the United States or any office of the Secretary of State (or equivalent) of any state thereof, or in any similar office or agency of any country or political subdivision thereof throughout the world, to maintain each application and registration of the IP Collateral, including, without limitation, filing of renewals, extensions, affidavits of use and incontestability, and opposition, interference and cancellation proceedings (except to the extent that dedication, abandonment or invalidation is permitted under paragraphs l(b) and l(c) hereof). Borrower shall notify the Agent promptly in writing if any application or registration relating to any IP Collateral may become abandoned or dedicated or subject to an adverse final determination in any proceeding in the United States Patent and Trademark Office or United States Register of Copyrights or in any similar office or agency of any country or political subdivision thereof throughout the world or in any court regarding Borrower's ownership of such Patent or Trademark, its right to register same, or to keep or maintain the validity of same.

(k) In the event that a Responsible Officer of Borrower acquires actual knowledge that any Trademark, Patent or Copyright is infringed, misappropriated or diluted by a third party, Borrower shall promptly sue for infringement, misappropriation and/or dilution and to obtain injunctive relief and recover damages therefor, unless Borrower shall determine in its reasonable business judgment that such suit is not in the best interest of Borrower's business, and Borrower shall take such other actions reasonably required to protect such Trademark, Patent or Copyright as Borrower shall deem appropriate in its reasonable business judgment under the circumstances. Upon and during the continuance of an Event of Default, the Agent shall have the right, but in no way shall be obligated, to bring suit in its own name to enforce the Trademarks, Patents and Copyrights and any licenses thereunder, in which event Borrower shall, at the request of the Agent, do any and all lawful acts requested by the Agent and execute any and all documents required by the Agent to aid such enforcement, and Borrower shall, upon demand, promptly reimburse and indemnify the Agent for all costs and expenses incurred in such enforcement.

2. Upon an Event of Default, in addition to all other rights and remedies provided for in the Loan Documents (as defined in the Credit Agreement), all such rights and remedies being cumulative, not exclusive and enforceable alternatively, successively or concurrently, without (except as provided herein) notice to, or consent by, Borrower, the Agent shall have the following rights and remedies for the benefit of the Lenders:

(a) Agent may (without assuming any obligations or liability thereunder), at any time, enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of Borrower in, to and under any one or more license agreements with respect to the IP Collateral, and take or refrain from taking any action under any thereof, and Borrower hereby releases Agent from, and agrees to hold Agent free and harmless from and against any claims arising out of, any action taken or omitted to be taken with respect to any such license agreement;

(b) Agent may, at any time and from time to time, upon ten (10) days' prior notice to Borrower, assign, sell, or otherwise dispose of the IP Collateral or any of it, either with or without special or other conditions or stipulations, with power to buy the IP Collateral or any part of it, and do all other acts and things for completing the assignment, sale or disposition which the Agent shall, in its sole discretion, deem appropriate or proper;

(c) in addition to the foregoing, in order to implement the assignment, sale, license or other disposal of any of the IP Collateral pursuant to subparagraphs 2(a) and (b) hereof, Agent may, at any time, pursuant to the authority granted in the Power of Attorney described in paragraph 3 hereof (such authority becoming effective upon an Event of Default), execute and deliver on behalf of Borrower one or more instruments of assignment, sale, license or other disposition of the IP Collateral. Borrower agrees to pay when due all reasonable costs incurred in any such transfer of the IP Collateral, including any taxes, fees and reasonable attorneys' fees, and all such costs shall be added to the Liabilities. Agent may apply the proceeds actually received from any such license, assignment, sale or other disposition in accordance with paragraph (d) of this Section 2; and Borrower shall remain liable and will pay the Agent on demand any deficiency remaining, together with interest thereon at a rate equal to the rate then payable on the Liabilities and the balance of any expenses unpaid. Nothing herein contained shall be construed as requiring the Agent to take any such action at any time; and

(d) except as otherwise herein expressly provided, the proceeds of any collection, sale or other realization of all or any part of the IP Collateral pursuant hereto, shall be applied to the Liabilities until the Liabilities shall have been paid in full in cash. The application of proceeds hereunder to the Liabilities shall be made pro-rata to the holders of such Liabilities based on the aggregate outstanding principal amount of such Liabilities held by such holders or as otherwise provided in the Credit Agreement.

3. Concurrently with the execution and delivery hereof, Borrower is executing and delivering to the Agent, in the form of **Exhibits A and B** hereto, respectively, two originals of a Power of Attorney for the implementation of any assignment, sale or other disposition of the Trademarks or Patents or any of them pursuant to paragraphs 2(a) and (b) hereof.

4. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement and executed by the party to be charged. The execution and delivery of this Agreement has been properly authorized by the board of directors of Borrower and by any necessary vote or consent of stockholders thereof. This Agreement shall be

binding upon the successors, permitted assigns or other legal representatives of Borrower, and shall, together with the rights and remedies of the Agent hereunder, for the benefit of the Lenders, inure to the benefit of the Agent, its successors, permitted assigns or other legal representatives. This Agreement, the Liabilities and the IP Collateral shall be governed in all respects by the laws of the United States and the laws of the State of Illinois. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby.

5. This Agreement shall continue to be effective and shall be reinstated in the event that at any time after the Liabilities have been paid in full, any payment of the Liabilities is rescinded or must otherwise be restored or returned by Agent.

6. Upon payment and performance by Borrower of all of the Liabilities (other than indemnification obligations for which no claim has been made) and upon the termination of the Revolving Loan Commitment under and as defined in the Credit Agreement, this Agreement shall terminate and the Agent shall execute, file and record in each office in which any financing statement or assignment relative to the IP Collateral, or any part thereof, shall have been filed, a termination statement, assignment or other appropriate instrument releasing its interest therein, all without recourse to or warranty by the Agent and at the sole cost and expense of the Borrower.


7. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

[The next page is the signature page]

IN WITNESS WHEREOF, the parties hereto have caused this INTELLECTUAL PROPERTY SECURITY AGREEMENT to be executed by its respective officers hereunto duly authorized as of the day and year first above written.

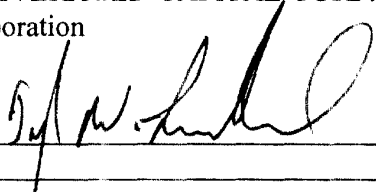
BORROWER:

RICON CORP., a California corporation

By: 
Title: _____

AGENT:

ANTARES LEVERAGED CAPITAL CORP., a
Delaware corporation

By: 
Title: _____

STATE OF California)
COUNTY OF Los Angeles) SS

On this 2nd day of July, 1998, before me personally appeared the above-named Jules Tremblay, to me known, who being by me duly sworn according to law, on his oath stated that he is the CEO of RICON CORP. and acknowledged that he signed, sealed and delivered the foregoing instrument as the free and voluntary act and deed of said corporation.

Laura Floyd
Notary Public

My Commission Expires:

June 29, 2001



STATE OF California)
COUNTY OF Los Angeles) SS

On this 2nd day of July, 1998, before me personally appeared the above-named Tyler W. Lindblad, to me known, who being by me duly sworn according to law, on his oath stated that he is the Director of ANTARES LEVERAGED CAPITAL CORP. (the "Agent"), and acknowledged that he signed, sealed and delivered the foregoing instrument as the free and voluntary act and deed of the Agent, as agent for itself and Jackson National Life Insurance Company, by virtue of his authority.



Laura Floyd

Notary Public

Schedule A

Registered Trademarks

<u>Registration No.</u>	<u>Trademark</u>	<u>Date Registered</u>	<u>Serial No.</u>
1,530,561	RICON	March 21, 1989	727,657
1,563,061	SPIRIT SWING LIFT	October 31, 1989	790,976
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2,027,471	ACCESSIBILITY WITH STYLE	December 31, 1996	74-537,236

Applications

None.

Schedule B

Patents

<u>Patent No.</u>	<u>Descriptive Name</u>	<u>Date Issued</u>	<u>Application No.</u>
3,913,759	WHEELCHAIR LIFT	October 21, 1975	406,254
4,353,436	MANUAL WHEELCHAIR LIFT	October 12, 1982	140,928
RE. 31,178	WHEELCHAIR LIFT	March 15, 1983	843,767
4,534,450	INVALID LIFT	August 13, 1985	605,222
4,953,665	WAYSIDE LIFT	September 4, 1990	342,009
4,977,981	WAYSIDE LIFT	December 18, 1990	335,331
5,228,538	PASSENGER LIFT WITH AN ELECTRIC SAFETY INTERLOCK	July 20, 1993	835,255
5,234,311	WHEELCHAIR LIFT WITH ADJUSTABLE POSTS	August 10, 1993	962,149
5,253,973	VEHICLES AND VEHICLE LIFTS	October 19, 1993	681,542
5,308,215	PASSENGER LIFT MOVABLE AT VARIABLE SPEEDS	May 3, 1994	920,796
5,316,432	WHEELCHAIR LIFTS WITH AUTOMATIC BARRIER	May 31, 1994	986,569
5,373,915	PASSENGER LIFT WITH AN ELECTRIC SAFETY INTERLOCK	December 20, 1994	91,996
5,445,488	LOCKING WHEELCHAIR LIFT	August 29, 1995	114,774

Patents

<u>Patent No.</u>	<u>Descriptive Name</u>	<u>Date Issued</u>	<u>Application No.</u>
5,533,594	CHAIRLIFT WITH POSITIONING CARRIAGE AND SWIVEL MECHANISM WITH SAFETY INTERLOCK	July 9, 1996	255,337
5,556,250	VEHICLE LIFTS	September 17, 1996	449,777
5,605,431	LOCKING WHEELCHAIR LIFT	February 25, 1997	692,979
5,613,321	RELEASABLE DRIVE MECHANISM	March 25, 1997	298,438
5,636,399	MOVABLE RAMP ASSEMBLY	June 10, 1997	395,556
5,676,515	LOW FLOOR VEHICLE RAMP	October 14, 1997	657,365

Patents Pending

<u>Description</u>	<u>File Date(s)</u>	<u>Serial No.</u>
LOCKING WHEELCHAIR LIFT	December 31, 1996	08/774,411
A SELECTIVELY ENGAGEABLE MOTOR DRIVE ASSEMBLY	December 22, 1996 (Allowed on December 23, 1997)	08/577,237
A REMOVABLE VEHICLE SEAT	June 29, 1997	08/865,459
FOLDABLE PLATFORM WHEELCHAIR LIFT	August 16, 1997	08/912,278
MOVABLE RAMP WITH CONTROLLER	August 23, 1997	08/917,583
IMPROVED DRIVING MECHANISM FOR VEHICLE LIFTS	September 5, 1997	08/924,782
POWER SAFETY BARRIER FOR WHEELCHAIR LIFT	October 27, 1997	None yet.

Patents Pending

<u>Description</u>	<u>File Date(s)</u>	<u>Serial No.</u>
RELEASABLE POWER PARKING BRAKE ASSEMBLY	March 16, 1998	09/039,666
WHEELCHAIR LIFT (K-SERIES LIFT)	May 29, 1998	None yet.
INCLINE PLATFORM LIFT SYSTEM	April 6, 1998	09/056,064
THRESHOLD WARNING SYSTEM FOR WHEELCHAIR LIFTS	May 15, 1998	09/079,648
ARM LEVER ADAPTER FOR ADAPTING A HANDRAIL OF A WHEELCHAIR LIFT	May 13, 1998	09/078,146

Schedule C

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