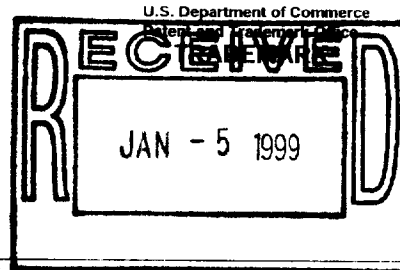


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### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

#### Submission Type

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

#### Conveyance Type

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

#### Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association

Other

Citizenship/State of Incorporation/Organization

#### Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

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

Citizenship/State of Incorporation/Organization

#### FOR OFFICE USE ONLY

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

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

**TRADEMARK**  
 REEL: 1836 FRAME: 0723

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

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

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

Mark if additional numbers attached

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

Trademark Application Number(s)			Registration Number(s)		
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**Number of Properties** Enter the total number of properties involved. #

**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed  Deposit Account

Deposit Account


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

Deposit Account Number: #

Authorization to charge additional fees: Yes  No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Lisa A. Thompson, Esq.  12/31/98  
 Name of Person Signing Signature Date Signed

**RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY**

FORM PTO-1618C  
Expires 06/30/99  
OMB 0651-0027

U.S. Department of Commerce  
Patent and Trademark Office  
**TRADEMARK**

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

Individual  General Partnership  Limited Partnership

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

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

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

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

Mark if additional numbers attached

**Trademark Application Number(s)**

**Registration Number(s)**

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## INDEMNIFICATION AND SECURITY AGREEMENT

THIS INDEMNIFICATION AND SECURITY AGREEMENT, made and entered into as of the 31<sup>st</sup> day of December, 1998, by and between **VENTURETECH, INC.**, a Pennsylvania corporation with a mailing address of 307 East Church Road, King of Prussia, PA 19406.

AND

**F. W. SCHMIDT**, an adult individual and citizen of the Commonwealth of Pennsylvania who resides at 534 Ridge Avenue, Ephrata, PA 17522 and **ROLF D. SCHMIDT**, an adult individual and citizen of the Commonwealth of Pennsylvania who resides at 205 Sweitzer Road, Sinking Spring, PA 19608.

### Background

Pursuant to the provisions of certain Loan Documents, the Lender has made available to the Borrower certain Credit Accommodations in order to assist the Borrower in the operation of its business

As a condition precedent to the offering of the Credit Accommodations, the Lender has required that the Guarantors guaranty and assure to the Lender the prompt payment when due of all liabilities and obligations of the Borrower to the Lender.

In order to induce the Guarantors to execute and deliver the Surety Agreements, the Borrower has agreed to grant to the Guarantors a security interest in the Collateral in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the execution by the Guarantors and the delivery by the Guarantors to the Lender of the Surety Agreements, and in consideration of the provisions of this Agreement, the legal sufficiency of which is acknowledged by each of the parties hereto, and INTENDING TO BE LEGALLY BOUND HEREBY, the parties agree as follows:

### SECTION 1. INTERPRETATION

1.1 General Provisions. Unless expressly provided to the contrary in this Agreement, or unless the context otherwise requires:

(a) all terms used in this Agreement without definition which are defined in the Pennsylvania Uniform Commercial Code shall have the meanings assigned to them in the Pennsylvania Uniform Commercial Code;

(b) all accounting terms used in this Agreement without definition shall have the meanings assigned to them in accordance with generally accepted accounting principles;

(c) all terms of any gender used in this Agreement shall be held to include any other gender, and terms used in this Agreement in the singular number shall be held to include the plural and vice versa.

(d) the word "including" shall be a word of enlargement rather than a word of limitation and shall be deemed to mean "including but not limited to" rather than "including only".

1.2 Defined Terms. Unless the context otherwise requires, the following terms shall have the following meanings:

Agreement. This Agreement and all amendments and modifications thereto.

Bankruptcy Code. The United States Bankruptcy Code as now or hereafter constituted or amended, 11 U.S.C. §101 et seq.

Borrower. VentureTech, Inc., a Pennsylvania corporation, and its successors and assigns.

Borrower's Liabilities. Individually and collectively, all monies paid, directly or indirectly, by the Guarantors on account of the Credit Accommodations or the Loan Documents, including all monies paid by the Guarantors under the Surety Agreements, together with all other monies now or hereafter owing by the Borrower to the Guarantors under or pursuant to this Agreement or expended by the Guarantors in fulfillment of any duty or obligation of the Borrower under the Loan Documents or this Agreement.

Collateral. All of the Borrower's present and future:

(i) accounts, contracts, chattel paper, instruments and documents and all other rights to the payment of money, whether or not yet earned, for services rendered or goods sold, consigned, leased or furnished by the Borrower together with all general intangibles, guaranties and securities relating to any of the foregoing, and all returned, reclaimed or repossessed goods, the sale, consignment, lease or other furnishing of which shall have given or may give rise to any of the foregoing including the right of stoppage in transit,

(ii) inventory (including goods held for sale or lease or furnished or to be furnished under contract, raw materials, work in process, and goods used or consumed in business), whether owned, consigned or held on consignment, together with all merchandise, component materials, supplies, incidentals, packaging materials and other goods or items used or to be used in connection with inventory,

(iii) documents, instruments and general intangibles,

(iv) equipment and machinery, including motor vehicles, mobile and motorized equipment and machinery, office furniture, office equipment, computer equipment, fixtures, tools, blueprints, renderings, technical data, technical processes and prototypes and other equipment, machines, machinery or articles of tangible personal property of every type and all parts, substitutions, accretions, accessions, attachments, accessories, additions, components and replacements of such equipment and machinery, together with all documents, instruments and general intangibles relating to such equipment including and all manuals of operation, maintenance or repair, utilized in connection with such equipment and machinery,

(v) computer equipment of any nature, including processors, peripherals and communications devices, and all software, including object and source code, in machine readable and listing form, documentation, including internal documentation, documentation made available to customers and training materials, flow charts, source code notes, software tools, compilers, test routines and information, in whatever form, and all revisions, release levels and versions of the foregoing,

(vi) Manufacturing and processing rights, patents, patent rights, licenses, trademarks, trade names, trade secrets and copyrights of any nature,

(vii) other goods, property, rights and privileges, tangible and intangible, of whatsoever nature and wheresoever situate now or hereafter owned by the Borrower or in which the Borrower now or hereafter obtains any interest of any nature whatsoever,

and in the Proceeds and products of any and all of the foregoing.

Credit Accommodations. The line of credit established by the Lender in favor of the Borrower pursuant to the Loan Documents.

Event of Default. Any event specified in Section 9.1 of this Agreement.

Governmental Authority. Individually and collectively, any and all municipal, state and federal governmental agencies, authorities, commissions, departments, municipalities and entities of any nature, including the United States of America, the Commonwealth of Pennsylvania and each of their respective political subdivisions and any Person representing any of the foregoing.

Guarantors. F. W. Schmidt and Rolf D. Schmidt and all successors and assigns of each of the foregoing.

Lender. The Bryn Mawr Trust Company, its successors and assigns.

Loan Documents. Individually and collectively, The Bryn Mawr Trust Company Business Loan Agreement dated December 31, 1998 by and between the Lender and the Borrower, the Master Promissory Note for Line Of Credit from the Borrower to the Lender and all other loan documents pertaining to or relating to the Credit Accommodations or to any other loans from or made by the Lender to the Borrower, whether heretofore or hereafter executed, and all amendments and modifications to any of the foregoing.

Pennsylvania Uniform Commercial Code. The Uniform Commercial Code of Pennsylvania, as now or hereafter constituted or amended, 13 Pa. C.S.A. Section 1101 et seq.

Person. Individually and collectively, any association, company, corporation, estate, individual, limited liability company, limited liability partnership, limited partnership, general partnership, person, trust or other entity of any nature, including any Governmental Authority.

Proceeds. Whatever is received when any of the property defined as Collateral herein is sold, exchanged, leased, collected, damaged or destroyed, or otherwise disposed of, including cash, insurance proceeds for loss or damage, negotiable instruments and other instruments for the payment of money, chattel paper, security agreements, other documents and other non-cash proceeds.

Surety Agreements. Individually and collectively, the Surety Agreements between the Lender and each of the Guarantors and all amendments and modifications thereto.

1.3 Captions. The section and subsection captions of this Agreement are included for reference only. They constitute no part of this Agreement and are not to be used in the construction of this Agreement.

1.4 Severability. Any provision contained in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or

unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

1.5 Construction. This Agreement and the rights and obligations of the Borrower and the Guarantors under this Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

1.6 Term. The term ("Term") of this Agreement shall be the period of time beginning as of the date of this Agreement and ending upon the later of:

(a) The date upon which all duties, obligations and liabilities, absolute and contingent, of the Sureties under their respective Surety Agreements shall have unconditionally expired, terminated and been satisfied and are not subject to reinstatement and the said Surety Agreements shall be of no further force or effect, and

(b) All duties, obligations and liabilities of the Borrower under this Agreement shall have unconditionally expired, terminated and been satisfied.

1.7 Applicable Law. The parties to this Agreement acknowledge that the provisions of this Agreement are subject to the provisions of applicable law, including applicable insolvency and bankruptcy statutes.

## SECTION 2. INDEMNIFICATION

2.1 Indemnification. The Borrower covenants to the Guarantors that upon demand made from time to time by the Guarantors, the Borrower shall indemnify, reimburse and hold harmless the Guarantors without setoff for all of the Borrower's Liabilities.

## SECTION 3. SECURITY INTERESTS

3.1 Grant of Security Interest.

(a) The Borrower hereby grants to the Guarantors and the Guarantors hereby accept a security interest in the Collateral.

(b) The security interest of the Guarantors in the Collateral shall secure all of the Borrower's Liabilities, including all amounts owing by the Borrower to the Guarantors pursuant to this Agreement, and all amounts owing by Borrower to the Guarantors by way of subrogation, together with all costs and expenses, including reasonable attorneys' fees, incurred by the Guarantors in enforcing any of their rights or remedies, including those rights and remedies which are set forth or referred to in this Agreement, together with all expenditures by the Guarantors for taxes, levies, insurance, repairs to and preservation and maintenance of the Collateral.

3.2 Perfection of Security Interest. The Borrower shall execute and deliver to the Guarantors concurrently with the execution of this Agreement, and at any and all times hereafter, at the reasonable request of the Guarantors, all assignments, certificates of title, conveyances, assignment statements, financing statements, renewal financing statements, continuation statements, security agreements, affidavits, notices and all other agreements, instruments and documents that the Guarantors may reasonably require,

in form satisfactory to the Guarantors, and shall take any and all other steps, including filing any document with the United States Patent and Trademark Office or any other state or federal office, reasonably requested by the Guarantors in order to perfect and maintain the security interest and liens granted herein by the Borrower to the Guarantors and in order to fully consummate all of the transactions contemplated under this Agreement.

#### SECTION 4. PRIORITY OF SECURITY INTEREST

4.1 Lien Status. The Borrower warrants and represents to the Guarantors that the security interest granted to the Guarantors hereunder, when properly perfected, shall constitute at all times a valid and perfected security interest vested in the Guarantors in and upon all of the Collateral, that such Collateral is free and clear of all other security interests, liens, encumbrances, charges and claims of all Persons other than the Guarantors and that the security interest granted to the Guarantors herein is not and shall not be or become subordinate or junior to the security interest, liens, encumbrances, charges or claims of any other Person other than the Guarantors, including any Governmental Authority.

#### SECTION 5. LOCATION OF COLLATERAL

5.1 Location of Collateral, Records. The Borrower represents and warrants that, except for its use in the ordinary course of the Borrower's business, the tangible Collateral shall be kept at the Borrower's present location at 307 East Church Road, King of Prussia, PA 19406. The Borrower shall not remove any of such tangible Collateral other than in the ordinary course of its business unless written notice thereof is given to the Guarantors at least thirty (30) days prior to such removal, which notice shall also identify the new location of such Collateral. The Borrower shall notify the Guarantors of any new location for the Collateral.

#### SECTION 6. TANGIBLE COLLATERAL

6.1 Maintenance. The Borrower shall keep the tangible Collateral in good order and repair, ordinary wear and tear and obsolescence excepted, and shall not waste, destroy, abandon, injure or conceal the tangible Collateral and shall not use or suffer any other Person to use the tangible Collateral in violation of any statute, ordinance or other rule, regulation or order of any governmental authority of any nature.

6.2 Inspection. The Guarantors and their agents shall have access to examine and inspect the tangible Collateral at any and all reasonable times and wherever located.

6.3 Authority to Maintain. In the event that Borrower shall fail at any time or times to maintain the tangible Collateral in good order and repair, ordinary wear and tear and obsolescence excepted, or shall waste, destroy, abandon, injure or conceal the tangible Collateral, then the Guarantors may, but shall have no obligation to do so, maintain and repair the Collateral without waiving or releasing any obligation or Event of Default of the Borrower hereunder, and any sums dispersed in furtherance thereof by the Guarantors shall become a part of the Borrower's Liabilities secured by the Collateral payable on demand.

#### SECTION 7. ACCOUNTS

7.1 Accounts. Other than upon the occurrence of an Event of Default, each account of the Borrower will be subject to no discounts, deductions, allowances, offsets or special terms of payment that are not disclosed in writing to the Guarantors.



## 7.2 Collections.

(a) Prior to the occurrence of an Event of Default, the Borrower may collect its accounts in the ordinary course of its business.

(b) Upon the occurrence of an Event of Default, the Guarantors may revoke the Borrower's right to collect accounts, may notify all of the Borrower's account debtors and obligors of account that the Guarantors have a security interest in the Borrower's accounts, and may direct all such persons to make payments to the Guarantors of all sums owing by them to the Borrower.

(c) In the event the Guarantors revoke the Borrower's right to collect accounts pursuant to Subsection (b) above, the Borrower shall:

(1) hold in trust for the Guarantors all account collections received by the Borrower,

(2) list on schedules the name of each account debtor, the amount of each payment and such other information as the Guarantors may request, and

(3) if required by the Guarantors, deposit all account collections in to a deposit account designated by the Guarantors.

(d) The deposit account designated by the Guarantors shall be subject to the Guarantors' sole control. The Guarantors in their sole discretion at all times may apply monies in the deposit account to payment of the Borrower's Liabilities or to the liabilities of the Borrower to the Lender.

(e) Any disbursement for costs and expenses incurred or paid by the Guarantors with respect to the enforcement, collection or protection of their interest in the Collateral, or against the Borrower, whether by suit or otherwise, including notification of account debtors and obligors and including reasonable attorneys' fees, court costs and similar expenses, if any, shall be added to and considered a part of the Borrower's Liabilities secured by the Collateral, and shall be recoverable as such in all respects, together with interest from the date of disbursement at an annual rate of ten percent (10%) per annum.

## SECTION 8. TAXES AND INSURANCE

8.1 Payment of Taxes. The Borrower shall pay when due all sales, use, excise, personal property, income, withholding, franchise and all other taxes, assessments and governmental charges upon and in relation to its ownership or use of any of its assets, income or gross receipts for which the Borrower is or may be liable except to the extent any such liabilities are being contested in good faith by the institution of appropriate legal proceedings by the Borrower.

8.2 Discharge of Tax Liens. The Borrower shall not permit, or suffer to remain and shall discharge, any lien arising from any unpaid tax, assessment, levy or governmental charge unless the Borrower contests such lien or liens in good faith by the institution of appropriate legal proceedings, provides adequate reserves on the books of the Borrower to protect against such loss and, if required by the Guarantors, deposits with the Guarantors in escrow an amount equal to the unpaid tax, assessment, levy or governmental charge and any possible penalties which might be assessed by reason of failure to make such payment when due.

8.3 Authority to Pay Taxes. In the event the Borrower shall fail to pay any such tax, assessment, levy or governmental charge or shall fail to discharge any such lien or to contest the same in good faith by the institution of appropriate legal proceedings, the Guarantors, without waiving or releasing any obligation or Event of Default of the Borrower hereunder, may at any time or times thereafter, but shall be under no obligation to do so, make such payment, settlement, compromise or release or cause to be released any such lien, and take any other action with respect thereto which the Lenders deem advisable. All sums paid by the Guarantors in satisfaction of, or on account of any tax, levy or assessment or governmental charge, or to discharge or release any lien, and any expenses incurred by Guarantors, including reasonable attorneys' fees, court costs and other charges relating thereto, shall become a part of the Borrower's Liabilities secured by the Collateral, payable on demand.

8.4 Insurance. The Borrower shall keep all of the Collateral insured, at its expense, against loss or damage by fire, explosion and other casualty and extended coverage for the full insurable value thereof, by policies of insurance in such form and with companies and in such amounts as may be satisfactory to the Guarantors.

8.5 Policies; Proceeds. The Borrower shall deliver to the Guarantors on demand certified copies of all such insurance policies or certificates evidencing such coverage covering the risks set forth in Subsection 8.4 above, with loss payable clauses in a form reasonably satisfactory to the Guarantors naming the Guarantors as loss payees. All proceeds payable under any of said policies shall be payable in all events to the Guarantors.

8.6 Notices by Insurer. Each insurer shall agree by endorsement upon the policy or policies issued by it to the Borrower as required above, or by independent instruments furnished to the Guarantors, that it shall give the Guarantors ten (10) days written notice before any such policy or policies shall be altered or cancelled, and that no act or default of the Borrower or any other person shall affect the right of the Guarantors to recover under such policy or policies in case of loss or damage.

8.7 Authority to Obtain Insurance. If the Borrower shall fail at any time or times hereafter to obtain and maintain any of the policies of insurance required above, or fail to pay any premium in whole or in part relating to any such policies, then the Guarantors may, but they shall have no obligation to do so, obtain and cause to be maintained any or all of such policies, and pay any part or all of the premiums due thereunder, without thereby waiving any default by the Borrower, and any sums so disbursed by the Guarantors shall become a part of the Borrower's Liabilities secured by the Collateral, payable on demand.

## SECTION 9. EVENTS OF DEFAULT; REMEDIES

9.1 Event of Default. Each of the following shall be a material Event of Default hereunder:

(a) The failure of any representation of warranty made by the Borrower in this Agreement to be true and correct as of the date when made or the failure by the Borrower to observe and perform any covenant, condition or provision contained in this Agreement which the Borrower is required to observe or perform.

(b) Where the Borrower commits a default under the Loan Documents, other than a default on the part of either of the Guarantors, and fails to cure such default within the period, if any, permitted under the Loan Documents and the effect of such default is to cause, or permit, the Lender to cause such obligation to become due prior to its stated maturity or otherwise exercise its remedies against the Borrower and the Lender makes a formal demand upon the Guarantors for payment pursuant to the Surety Agreements.

(c) The commencement by the Borrower of a voluntary case under the Federal Bankruptcy Code or any other applicable federal or state bankruptcy, insolvency, reorganization, rehabilitation or other similar law, or the consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator of the Borrower or for any substantial part of the property of the Borrower or the making by the Borrower of an assignment for the benefit of creditors or the failure by the Borrower generally to pay its debts as they become due or the taking of any corporate action by the Borrower in furtherance of the foregoing.

(d) The entry of a decree or order for relief by a court having jurisdiction over the Borrower or the properties of the Borrower in an involuntary case under the Federal Bankruptcy Code or any other applicable federal or state bankruptcy, insolvency or other similar law, or the appointment of a receiver, liquidator, assignee, trustee, custodian or sequestrator for the Borrower or for any substantial part of the property of the Borrower or the ordering of the winding up or liquidation of the affairs of the Borrower and the continuance of any such event for a period of sixty (60) days undismissed, unbonded or undischarged.

(e) The dissolution of the Borrower.

9.2 Remedies. Upon the occurrence of an Event of Default hereunder which is not cured within five (5) days of the giving of notice to the Borrower to do so, the Guarantors shall have, in addition to any and all other rights and remedies of which they may be possessed, all rights and remedies of a secured party under the Pennsylvania Uniform Commercial Code, all of which rights and remedies shall be cumulative to the extent permitted by law. In addition to all such rights and remedies, the Guarantors may sell, lease or otherwise dispose of the Collateral or any part thereof, at public or private sale, for cash, credit or any combination thereof. The Guarantors shall have the right to bid and purchase at such sale or sales. The Proceeds of any sale or other disposition of all or any part of the Collateral upon which the Guarantors have a security interest, after payment of all costs and expenses of sale, including without limitation retaking, holding, preparing for sale, selling and the like, and also including without limitation reasonable attorneys' fees and legal expenses incurred by the Guarantors, shall be applied by the Guarantors to the then outstanding balance of the Borrower's Liabilities. The Borrower shall be liable to the Guarantors for any deficiency.

9.3 Legal Costs. If at any time or times after an Event of Default the Guarantors employ counsel to prepare or consider approvals, waivers or consents, or to intervene, file a petition, answer motion or other pleading in any suit or proceeding relating to this Agreement, or relating to any Collateral, or to protect, take possession of, or liquidate any Collateral, or to attempt to enforce any security interest or lien in any Collateral, or to enforce any rights or remedies of the Guarantors then in any of such events, all of the reasonable attorneys' fees arising from such services shall become a part of Borrower's Liabilities secured by the Collateral, payable on demand.

9.4 Right of Entry. Upon the occurrence of an Event of Default, the Guarantors shall have the right to enter and remain upon the various premises of the Borrower without cost or charge to the Guarantors, and to use the same in a reasonable manner, together with the books and records of the Borrower, for the purpose of liquidating or collecting the Collateral, or for the purpose of preparing for and conducting the sale of Collateral, whether by foreclosure, auction or otherwise.

9.5 Notice. Any notice required to be given by the Guarantors of a sale, lease or other disposition of or other intended action by the Guarantors with respect to any Collateral shall be deposited in the United States mails (certified or registered mail, return receipt requested, deliver to addressee only), postage prepaid and duly addressed to the Borrower at the address set forth herein at least ten (10) days prior to such proposed action. Such notification shall constitute fair and reasonable notice to the Borrower of such action.

9.6 No Waiver. The Guarantors' failure at any time or times hereafter to require strict performance by the Borrower of any of the provisions, covenants, warranties, terms and conditions contained in this Agreement shall not waive, affect or diminish any right of the Guarantors at any time or times hereafter to demand strict performance therewith and with respect to any other provisions, warranties, terms and conditions contained in this Agreement, and any specific waiver of any Event of Default shall not waive or affect any other Event of Default, whether prior or subsequent thereto, and whether of the same or a different type. None of the warranties, conditions, provisions and terms contained in this Agreement shall be deemed to have been waived by any act or knowledge of the Guarantors or their agents except by an instrument in writing signed by the Guarantors and directed to the Borrower specifying such waiver

9.7 Power of Attorney.

(a) Upon the occurrence of an Event of Default, the Borrower irrevocably appoints the Guarantors and any of the Guarantors' agents as the Borrower's true and lawful attorneys of the Borrower with power to:

(1) sign the name of the Borrower on any financing statement, renewal financing statement, notice or other similar document that in the Guarantors' opinion must be filed in order to perfect or continue perfection of the Guarantors' security interest in the Collateral,

(2) receive, endorse, assign and deliver in the name of the Borrower or in the name of the Guarantors all checks, notes, drafts and other instruments relating to the Collateral including, but not limited to, receiving, opening and properly disposing of all mail addressed to the Borrower concerning accounts, and notify postal authorities to change the address for delivery of mail to such address as the Guarantors may designate,

(3) sign the name of the Borrower on any invoice or bill relating to any account drafts against account debtors, schedules and assignments of accounts, notices of assignment, verifications of accounts and notices to account debtors,

(4) take or bring at the Borrower's cost, in the name of the Borrower or the Guarantors all steps, actions and suits that the Guarantors consider necessary or desirable to effect collections of accounts, to enforce payment of any account, to settle, compromise, sell, assign, discharge or release in whole or in part any amounts owing on accounts, to prosecute any action or proceeding with regard to accounts, to extend the time of payment of any and all accounts and to make allowances and adjustments with regard thereto.

(b) This power, being coupled with an interest, is irrevocable so long as any amounts are owing by the Borrower to the Lender pursuant to the Credit Accommodations, the Loan Documents or otherwise.

SECTION 10. MISCELLANEOUS

10.1 Legal Effect. This Agreement shall be binding upon and inure to the benefit of the respective heirs, representatives, successors and assigns of the parties hereto.

10.2 Construction. The laws of Pennsylvania shall govern and control the construction, enforceability, validity and interpretation of this Agreement.

10.3 Choice of Remedies. To the extent that any of the Borrower's Liabilities are now or hereafter secured by property other than the Collateral, or by a guaranty, endorsement or property of any other Person, then the Guarantors shall have the right to proceed against such other property, guaranty or endorsement upon an Event of Default and the Guarantors shall have the right, in the Guarantors' sole discretion, to determine which rights, security, liens, security interests or remedies the Guarantors shall at any time pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of them or any of the Guarantors' rights or the Borrower's Liabilities under this Agreement.


10.4 Incorporation. The provisions of the Background Section of this Agreement are incorporated herein by reference and constitute an integral part of this Agreement.

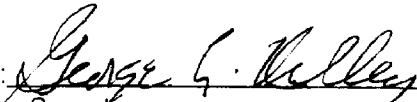
10.5 Parties Bound. This Agreement shall inure to and be binding upon each of the parties hereto and their respective heirs, representatives, successors and assigns.

10.6 Counterparts. This Agreement may be executed in any number of counterparts and by any combination of parties hereto in separate counterparts, each of which counterparts shall be an original and all of which taken together shall constitute one and the same Agreement. The signature of the parties hereto may be delivered by facsimile.

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, this Agreement has been duly executed as of the day and year first above written

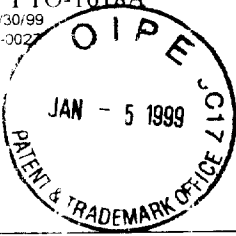
VENTURETECH, INC.

By:   
\_\_\_\_\_  
Vice President

Attest:   
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
F. W. SCHMIDT (SEAL)

  
\_\_\_\_\_  
ROLF D. SCHMIDT (SEAL)



### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

#### Submission Type

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

#### Conveyance Type

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

#### Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year  
12-31-98

Name VentureTech, Inc.

Formerly \_\_\_\_\_

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization Pennsylvania

#### Receiving Party

Mark if additional names of receiving parties attached

Name F.W. Schmidt

DBA/AKA/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 534 Ridge Avenue

Address (line 2) \_\_\_\_\_

Address (line 3) Ephrata

City

PA/USA

State/Country

17522

Zip Code

- Individual  General Partnership  Limited Partnership
- Corporation  Association
- Other \_\_\_\_\_

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

Citizenship/State of Incorporation/Organization U.S.

#### FOR OFFICE USE ONLY

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

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**TRADEMARK**

REEL: 1836 FRAME: 0736

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

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

#

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

Mark if additional numbers attached

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

Trademark Application Number(s)

Registration Number(s)

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**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

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

Deposit Account Number:

#

Authorization to charge additional fees:

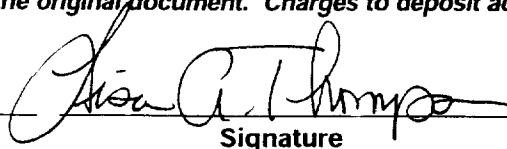
Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Lisa A. Thompson, Esq  
Name of Person Signing

  
Signature

12/31/98  
Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

FORM PTO-1618C  
Expires 06/30/99  
OMB 0651-0027

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

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

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

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

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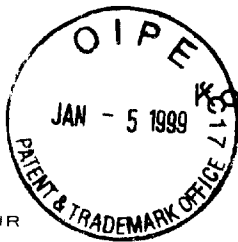
Trademark Application Number(s)

Registration Number(s)

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FAX (610) 670-2591

COUNSEL  
FRANKLIN E. POORE III 1987

December 31, 1998

Commissioner of Patents & Trademarks  
Box Assignments  
Washington, D.C. 20231

Re: VentureTech, Inc.. - Recording of Document in the nature  
of a Security Agreement  
Our File No.13152-2

Dear Sir/Madam:

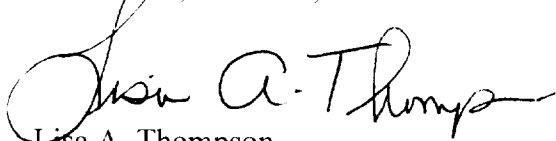
Enclosed please find the following for filing in the Patent & Trademark Office:

- a copy of an Indemnification and Security Agreement.
- two copies of the Document Cover Sheet for Recordation of Documents United States Patent & Trademark Office.
- our firm's check in the amount of \$40.00 for the filing fee.
- a self-addressed, stamped envelope.

Please file the enclosed documents and return a filing receipt to my attention in the enclosed envelope. If you have any questions or need additional information or documentation please contact my office.

Very truly yours,

KOZLOFF, DIENER, PAYNE & FEGLEY

  
Lisa A. Thompson

LAT/kmb  
Enclosures