

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this “*Security Agreement*”) is entered into as of August 26, 2020, by SOVEREIGN COMMUNITY SCHOOL FOUNDATION, an Oklahoma not for profit corporation having its principal place of business in Oklahoma City, Oklahoma (“*Borrower*” or “*Debtor*”), the mailing address for which is 12600 N. Kelley Avenue, Oklahoma City, Oklahoma 73131, in favor of SFS DEVELOPMENT, INC., an Oklahoma not for profit corporation (“*Secured Party*” or “*Lender*”), the mailing address for which is 4825 S. Shields Boulevard, Oklahoma City, Oklahoma 73129.

WHEREAS, at the time of the execution of this Security Agreement, Secured Party and Borrower have entered into a Loan Agreement dated as of even date herewith (as amended, modified, increased or restated from time to time, the “*Agreement*”) pursuant to which the Lender has agreed to make loans and provide other financial accommodations to Borrower;

WHEREAS, to induce Lender to make the loans and provide other financial accommodations provided for in the Agreement, Debtor has agreed to grant a security interest in certain collateral as hereinafter described as security for the repayment of such loans and other financial accommodations; and

WHEREAS, Debtor has determined that it may reasonably be expected to benefit, directly or indirectly, from granting a lien upon the collateral hereinafter described in order to secure the loans pursuant to the Agreement, all as hereinafter provided;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and to extend such additional credit as provided in the Agreement, the parties do hereby agree as follows:

1.0 ***Terms.*** Terms defined in the Agreement have the same meanings when used herein unless otherwise defined herein or the context hereof otherwise requires. Certain terms used herein are defined in Appendix I hereto, which is incorporated herein. Terms not defined herein (including Section 2.1) or in the Agreement which are defined in the Oklahoma Uniform Commercial Code, as in effect on the date hereof (the “*UCC*”; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the Security Interest is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Oklahoma, the term “UCC” shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions), have the meanings specified in the UCC, and the definitions specified in Article 9 of the UCC control in the case of any conflicting definitions in the UCC. The singular number includes the plural and vice versa. Captions of Sections do not limit the terms of such Sections.

2.0 Security.

2.1 Security Interest. To secure the payment and performance of the Obligations, Debtor hereby grants to Secured Party a security interest in the following described property of Debtor (the “*Collateral*”) wherever located:

- (a) Accounts;
- (b) Chattel Paper;
- (c) Deposit Accounts;
- (d) Documents;
- (e) Equipment, including motor vehicles;
- (f) General Intangibles;
- (g) Instruments;
- (h) Inventory;
- (i) Investment Property;
- (j) Letter of Credit Rights;

(k) all proceeds, dividends, distributions, and income attributable to proceeds, products, additions to, substitutions, replacements and supporting obligations for, and accessions of, any and all Collateral described in this Section 2.1; “proceeds” includes, without limitation, all proceeds of any insurance (including any surrender value therefor, any right to return, or unearned premiums), causes and rights of action, remedies, privileges, settlements, judicial and arbitration judgments and awards, indemnities, liens, warranties, or guaranties payable from time to time with respect to or security for any of the Collateral; and

(l) all ledgers, files, writings, records, books, data bases, plans, drawings, and information relating to any of the foregoing.

2.2 Debtor to Remain Liable. Debtor shall remain liable under and shall preserve the liability of all other parties to each agreement constituting part of the Collateral and shall perform all of its obligations thereunder. The exercise by Secured Party of any of its rights hereunder shall not release Debtor from any duties under any agreement. Secured Party has no obligation or liability with respect to any of the Collateral under any agreement by reason or arising out of the assignment thereof to Secured Party or the granting to Secured Party of a security interest therein or the receipt by Secured Party of any payment relating to any such agreement.

3.0 Representations. Each Debtor makes the following representations to Secured Party:

3.1 Enforceability. This Security Agreement creates in favor of Secured Party an enforceable security interest in the Collateral, and the filing of financing statements contemplated by Section 4.5 with the Secretary of State (or equivalent governmental official) of the jurisdiction in which Debtor is organized which sufficiently indicates the Collateral, will perfect, and establish the first priority (subject to Permitted Liens) of, Secured Party's security interest hereunder in the Collateral to the extent a security interest in such Collateral may be perfected under the UCC by the filing of a financing statement.

3.2 Title to Collateral and Related Matters.

(a) (i) Each obligation constituting Payment Rights Collateral is a valid and enforceable obligation representing an undisputed debt owing by the Account Debtor to Debtor for a fixed sum as set forth in an invoice or other document or instrument representing the same, and (ii) no Payment Rights Collateral is subject to any defense, right of offset, counterclaim or adjustment, except, in either case, as could not reasonably be expected to have a Material Adverse Effect.

(b) Exhibit 3.2(b) lists all trade names by which Debtor is now known or has been previously known within the past five (5) years.

(c) None of the Collateral is an accession to goods other than goods constituting part of the Collateral.

3.3 Instruments in Payment of Intangible Collateral. No Debtor has received any note, trade acceptance, draft, or other instrument with respect to or in payment of any Payment Rights Collateral in excess of \$50,000.00 which has not been delivered to the Secured Party.

3.4 Address and Place of Business. The address for Debtor specified in the introductory paragraph of this Security Agreement is Debtor's correct mailing address and the location of its chief executive office. All of Debtor's records or copies thereof pertaining to the Collateral and the proceeds thereof are now maintained at its chief executive office. Except as specified on Exhibit 3.4, no Equipment or Inventory is kept, stored or maintained with a bailee, warehouseman or similar party.

3.5 Name and Organization of Debtor. Debtor's exact legal name, type of organization, the jurisdiction under which Debtor is organized is set forth in the introductory paragraph of this Security Agreement. Debtor has not changed its name within the five (5) years immediately preceding the date of this Security Agreement, and Debtor does not conduct any business under any other name, whether or not registered as an assumed name, except as specified in Exhibit 3.2(b).

4.0 Covenants. Debtor covenants as follows:

4.1 In General. Debtor will (a) at its cost and expense, defend any action which may materially adversely affect the Security Interest or Debtor's title to the Collateral; (b) use commercially reasonable efforts to obtain an acknowledgment from any third party which holds possession of any Collateral stating that the third party holds the Collateral for the benefit

of Secured Party; and (c) cooperate with Secured Party so that Secured Party is allowed to obtain a control agreement in form and substance satisfactory to Secured Party with respect to Collateral which consists of (i) Deposit Accounts, to the extent provided in Section 5.8 of the Agreement, or (ii) Investment Property, Letter of Credit Rights, or electronic Chattel Paper.

4.2 Processing, Sale, Collections, Etc.

(a) Until notice from Secured Party to the contrary, given at any time after the occurrence and during the continuance of any Event of Default, Debtor (i) will, at its own expense, endeavor to collect, when due, all amounts due with respect to any of the Intangible Collateral, and take such action with respect to such collection as Secured Party may reasonably request or, in the absence of such request, as Debtor may deem advisable; and (ii) may grant in the ordinary course of business, to any person obligated on any of the Intangible Collateral, any rebate, refund, or allowance to which such person may be lawfully entitled, and accept, in connection therewith, the return of goods, the sale or lease of which shall have given rise to such Intangible Collateral.

(b) So long as Debtor holds any proceeds of the Collateral after the occurrence and during the continuance of an Event of Default, Debtor will hold same separate and apart from any other property of Debtor and in trust for Secured Party and shall not commingle the proceeds of Collateral with any of Debtor's funds or property.

4.3 Change of Name or Location. Debtor will not change its state of organization, name, or form of organization or conduct any of its business under any name except its legal name or those identified on Exhibit 3.2(b) until it has given to Secured Party not less than five (5) days' prior written notice of its intention to do so, and Debtor shall deliver all documents necessary to preserve the Security Interest subsequent to such change. Debtor will not establish a new location for its chief executive office or for maintaining its books and records nor the location of any Collateral until it has given to Secured Party not less than five (5) days' prior written notice of its intention to do so which identifies such new location and provides such other information and documents in connection therewith as Secured Party may reasonably request.

4.4 Landlords' Subordinations and Waivers. Debtor will cause any landlord of all premises leased by Debtor where Collateral is stored to execute and deliver to Secured Party a subordination and consent agreement acknowledging that the Secured Party holds a security interest in all personal property located on such premises that is prior and superior to any landlord's lien or security interest held by such landlord, and allowing the Secured Party to enter upon such real property to remove such personal property at any time.

4.5 Assurances. Debtor authorizes Secured Party to file a financing statement describing the Collateral. Secured Party may use a description of the Collateral in any financing statement as "all assets" or similar wording or any more specific wording. Each Debtor will at its own expense take all action as Secured Party may at any time reasonably request to protect, assure or enforce Secured Party's interests, rights and remedies created by, provided in or emanating from this Security Agreement. Each Debtor will (a) promptly deliver to Secured Party, in due form for transfer (endorsed in blank) all tangible Chattel Paper, Instruments,

Documents, and writings evidencing General Intangibles which are interests in or obligations of the issuer of such writings constituting part of the Collateral; (b) upon request of Secured Party, cause the Security Interest to be duly noted on any certificate of title issuable with respect to any of the Collateral and forthwith deliver to Secured Party each such certificate of title; (c) use commercially reasonable efforts to cause any bailee in possession of any Collateral to acknowledge that such bailee will act with respect to such Collateral on the instructions of Secured Party without consent by Debtor; and (d) execute and deliver to Secured Party, in due form for filing or recording (and pay the cost of filing or recording the same in all public offices deemed necessary by Secured Party) such assignments (including assignments of life insurance), security agreements, mortgages, deeds of trust, pledge agreements, control agreements, consents, waivers, financing statements (and amendments thereof), motor vehicle lien entry forms, stock or bond powers, and other documents, and do such other acts and things, all as may from time to time in the reasonable opinion of Secured Party be necessary to establish and maintain a valid perfected first priority security interest in the Collateral free of all Liens other than Permitted Liens.

4.6 Accessions and Fixtures. No Debtor will permit any of the Collateral to become an accession to goods other than goods constituting the Collateral.

5.0 Secured Party's Rights. Secured Party has the following rights without regard to the occurrence of an Event of Default:

5.1 Information. Subject to the Agreement, Secured Party may at any time obtain from any person any information concerning Debtor, Debtor's business or affairs, the Collateral, or the Obligations, and neither Secured Party nor the person furnishing such information shall be liable to Debtor in respect thereof other than for the gross negligence or willful misconduct of Secured Party or such person.

5.2 Delivery of Collateral. Secured Party may at any time after the occurrence and during the continuance of an Event of Default demand and Debtor shall deliver to Secured Party possession or control of any of the Collateral.

5.3 Performance by Secured Party. Secured Party may, but is not obligated to, perform or attempt to perform any agreement of Debtor contained herein. After the occurrence and during the continuance of an Event of Default, if any material part of the Collateral becomes the subject of any proceeding and Debtor fails to defend such proceeding and to protect Debtor's and Secured Party's rights in such Collateral in good faith, Secured Party may, at its option but at Debtor's cost, elect to defend and control the defense of such litigation or other proceeding, and may (a) select and retain counsel, (b) determine whether settlement shall be offered or accepted, and (c) determine and negotiate all settlement terms.

5.4 Preservation. Debtor has the risk of loss of the Collateral. Secured Party's duty with respect to any Collateral in the possession of Secured Party is solely to use reasonable care in the custody and preservation of the Collateral. Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if (a) the Collateral is accorded treatment substantially equal to that which the Secured Party accords its own property and (b) Secured Party takes such action for that purpose

as Debtor may request in writing, but failure by Secured Party to comply with any such request shall not of itself be deemed a failure to exercise such reasonable care. **Secured Party is not responsible for, nor are the Obligations (or Debtor's liability with respect thereto) subject to setoff or reduction by reason of, any shortage, discrepancy, damage, loss, or destruction in or to the Collateral nor, any depreciation in the value of the Collateral unless, in any such instance, caused by the gross negligence or willful misconduct of Secured Party or the Secured Party's failure to use reasonable care in the custody and preservation of any Collateral in the possession of the Secured Party.** Secured Party is not required to fulfill any of the obligations of Debtor with respect to any of the Collateral, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it or the sufficiency of any performance of any party under any of the Collateral, or to present or file any claim, or to take any action to enforce any performance or the payment of any amounts which have been assigned to it, in which it has been granted a security interest, or to which it may be entitled at any time. Secured Party has no duty to maintain in force, to prevent lapse or impairment of, or to exercise any rights with respect to any of the Collateral or any insurance thereon, or to exercise any rights, options or privileges respecting any of the Collateral or to take any steps necessary to preserve rights against prior or other parties or to enforce collection of the Collateral or any part thereof by legal proceedings or otherwise. The duties of Secured Party are to account to Debtor for Collateral actually received by Secured Party and to receive collections, remittances and payments on such Collateral as and when made and received by Secured Party and hold same as Collateral or apply same to the Obligations pursuant to the terms hereof.

5.5 Regarding Intangible Collateral. Secured Party may at any time following the occurrence and during the continuance of an Event of Default without prior notice to Debtor and without the necessity of foreclosing thereon, notify any person liable in respect of any Payment Rights Collateral to make payment directly to Secured Party and receive such payments and otherwise enforce Debtor's rights against Account Debtors. All payments so received will be applied as specified herein. Upon request of Secured Party, following the occurrence and during the continuance of an Event of Default, Debtor will so notify the Account Debtors and will indicate on all billings to Account Debtors that all monies due thereon are payable to Secured Party. Secured Party has the right to verify the Payment Rights Collateral or any portion thereof in the name of Debtor, in the name of Secured Party, or otherwise.

6.0 Default. Debtor is in default under this Security Agreement upon the happening of any Event of Default as defined in the Agreement (each an "***Event of Default***").

7.0 Remedies. Upon the occurrence of an Event of Default, and at any time thereafter, if any Event of Default is continuing, Secured Party has the following rights and remedies to the full extent permitted by applicable law:

7.1 Acceleration. Upon the acceleration of the Obligations pursuant to the Agreement, Secured Party may proceed to enforce payment of the Obligations and exercise all of the rights and remedies provided by the UCC as well as all other rights and remedies possessed by Secured Party under this Security Agreement, any other Loan Document or otherwise.

7.2 Removal and Possession. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at any place designated by Secured Party

which is reasonably convenient to both parties. Secured Party is entitled to immediate possession of all books and records pertaining to any of the Collateral. Secured Party may leave the Collateral on Debtor's or any other party's premises but under Secured Party's control or may remove the Collateral from the premises of Debtor or from wherever located, and, for purposes of removal and possession, Secured Party or its representatives may enter any premises of Debtor without legal process and thereafter hold or store same, and Debtor waives and releases Secured Party from all claims in connection therewith or arising therefrom other than claims resulting from the gross negligence or willful misconduct of Secured Party, and Secured Party may maintain at Debtor's expense on Debtor's premises a custodian who may exercise Secured Party's rights to protect the Collateral.

7.3 Sale of Collateral.

(a) Secured Party may sell the Collateral, in one or more sales or parcels, at such price as Secured Party deems adequate and for cash or on credit or for future delivery, without assumption of any credit risk, any portion of the Collateral, at any broker's board or at public or private sale, without demand of performance or notice of intention to sell. The purchaser of any Collateral sold shall thereafter hold the same free from any claim or right, including any equity of redemption, of Debtor. Secured Party may make any such sale subject to any limitation or restriction, including but not limited to a limitation in the method of offering the Collateral or in the number or identity of prospective bidders, which Secured Party may believe to be necessary to comply with any requirement of applicable law or in order to obtain any required approval of the purchase or the purchaser by any governmental authority or officer. No such limitation or restriction shall cause such sale not to be considered a commercially reasonable sale, nor shall Secured Party be liable or accountable to Debtor, nor shall the Obligations be subject to any reduction, by reason of the fact that the proceeds of a sale subject to any such limitation or restriction are less than otherwise might have been obtained. Without notice to or consent by Debtor Secured Party may exercise all rights as the insured, beneficiary, or owner of any insurance policy and may surrender same and receive the surrender value thereof or sell same pursuant to the terms thereof.

(b) Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Debtor commercially reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of commercially reasonable notice are met if such notice is given in accordance with Section 9.1 at least ten days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling, leasing or the like shall include Secured Party's attorneys' fees and legal expenses of one outside counsel, and all such expenses shall be borne by Debtor. Public or private sales, for cash or on credit, to a wholesaler or retailer or investor, or use of Collateral of the types subject to this Security Agreement, or public auction, are commercially reasonable since differences in the sales prices generally realized in the different kinds of sales are ordinarily offset by the differences in the costs and the credit risks of such sales.

(c) At any sale Secured Party may sell any part of the Collateral without warranty of any kind and may specifically disclaim any warranty of title or the like, and none of the foregoing will be considered to make the sale not commercially reasonable.

7.4 Other Rights.

(a) Secured Party may exercise all other rights it may have under any of the other agreements between Debtor and Secured Party, or under applicable law. Secured Party is entitled to the appointment of a receiver to take possession of all or any portion of the Collateral and to exercise any such powers as the court confers upon the receiver.

(b) Secured Party may accept all or part of the Collateral in full or, if Debtor so agrees in writing, partial satisfaction of the Obligations.

7.5 Exercise of Rights. Secured Party may exercise its rights with respect to the Collateral in such manner and in such order as Secured Party determines, and Secured Party is not required to license, sell, or dispose of any part of the Collateral or to collect, or attempt to collect, any sum payable by reason of the Collateral before Secured Party may collect the Obligations, nor is Secured Party obligated to attempt to collect the Obligations before licensing, selling, or disposing of any part of the Collateral. Secured Party may, without foreclosing thereon, license, collect and otherwise enforce all amounts owing on the Collateral or any proceeds or otherwise enforce all of Debtor's or Secured Party's rights in any of the Collateral. No Debtor nor any other party liable in respect of the Obligations may direct the application of any proceeds received by Secured Party, and Secured Party may apply any such proceeds as provided in the Agreement.

7.6 Proceeds of Sale.

(a) All proceeds of sale or other disposition or collection of the Collateral shall be applied as provided in the Agreement.

8.0 Attorney-In-Fact. Debtor appoints Secured Party as Debtor's attorney-in-fact (without requiring it to act as such) with full power of substitution to do any act which Debtor is obligated by this Security Agreement to do, including, without limitation, (a) to receive cash and to receive and to endorse the name of Debtor on all checks, drafts, money orders, or other instruments for the payment of monies that are payable to Debtor and constitute collections of the Collateral, (b) to execute in the name of Debtor schedules, assignments, documents, financing statements, amendments of financing statements, motor vehicle lien entry forms and other papers deemed necessary or appropriate by Secured Party to perfect, preserve, or enforce the Security Interest; (c) to exercise all rights of Debtor in the Collateral, (d) to make withdrawals from and to close deposit accounts and other accounts with any financial institution into which proceeds may have been deposited and to apply funds so withdrawn as provided herein, (e) to receive, open, and read mail addressed to Debtor, and (f) to prepare, adjust, execute, deliver, and receive payment under insurance claims and to collect and receive payment of and endorse any instrument in payment of loss or return premiums on any other insurance refund or return and to apply such amounts as received by Secured Party, at Secured Party's sole option, toward repayment of the Obligations or replacement of the Collateral. The power of attorney herein conferred is granted for valuable consideration, is coupled with an interest, and is irrevocable so long as any part of the Obligations is unpaid. Secured Party agrees it will not exercise its powers as attorney-in-fact until the occurrence and continuance of an Event of Default.

9.0 Miscellaneous.

9.1 Notices. All notices, requests, demands, or other communications to or upon the parties hereto shall be deemed to have been given or made if given or made in accordance with the Agreement.

9.2 Alteration, Etc. No waiver, amendment, modification, or alteration of any provision of this Security Agreement (individually, an “*Alteration*”), nor consent to any departure by Debtor from the terms hereof, or from the terms of any other document, is effective unless such is in writing and signed by Debtor and the Secured Party; and any such Alteration is effective only for the specific purpose and in the specific instance given. No waiver by Secured Party of any Event of Default shall be deemed to be a waiver of any other or subsequent Event of Default; nor shall such waiver be deemed to be a continuing waiver. No delay of Secured Party in exercising any right shall be deemed to be a waiver thereof, nor shall one exercise of any right affect or impair the exercise of any other right.

9.3 Parties Bound. The rights of Secured Party hereunder inure to the benefit of its successors and assigns. The terms of this Security Agreement bind the successors and assigns of the parties hereto, but Debtor may not assign any of its rights or obligations hereunder without the prior written consent of Secured Party. All representations, warranties, and covenants of Debtor survive the execution and delivery hereof. All indemnities by Debtor in favor of Secured Party survive termination or release of this Security Agreement. This Security Agreement constitutes a continuing agreement, and applies to all future amendments, restatements supplements and other modification of the Agreement, whether or not contemplated at the date hereof, and all renewals, modifications, and extensions of the Obligations.

9.4 Remedies Cumulative, Etc. All rights and remedies of Secured Party hereunder are cumulative of each other and of every other right or remedy which Secured Party may otherwise have at law or in equity or under any other document for the enforcement of the Security Interest or the enforcement of any duties of Debtor or any other party liable in respect of the Obligations. The exercise by Secured Party of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

9.5 Copy as Financing Statement. A carbon, photographic, or other reproduction of this Security Agreement or a financing statement describing the Collateral is sufficient as a financing statement.

9.6 Severability. If any portion of the Obligations or if any provision of this Security Agreement is held to be invalid or unenforceable for any reason, such holding shall not affect any other portion of the Obligations or any other provision contained herein or contained in any other agreement between Debtor and Secured Party, and the same shall continue in full force and effect according to their terms.

9.7 Applicable Law. This Security Agreement shall be governed by, and construed in accordance with, the laws of the State of Oklahoma.

9.8 Entire Agreement. This Security Agreement together with the other Loan Documents embody the entire agreement between the parties with respect to the subject matter

hereof and supersedes all prior agreements and understandings relating to the subject matter hereof.

9.9 Waiver of Jury Trial. DEBTOR AND SECURED PARTY HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT OR THE OTHER LOAN DOCUMENTS OR THE RELATIONSHIPS ESTABLISHED HEREUNDER.

9.10 Conflicts. If any term hereof conflicts with any provision of the Agreement, the terms of the Agreement shall control. If any item of Collateral hereunder also constitutes Collateral granted to Secured Party under any other Loan Document executed by Debtor, in the event of any conflict between the provisions under this Security Agreement and those under such other Loan Document, the provision or provisions selected by Secured Party shall control with respect to such Collateral.

9.11 ENTIRE AGREEMENT. THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

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Signatures Begin on Next Page]**

EXECUTED as of the day, month and year first above written.

DEBTOR:

**SOVEREIGN COMMUNITY SCHOOL
FOUNDATION**

By: _____

Name: _____

Title: _____

[Signature Page to Security Agreement]

SECURED PARTY:

SFS DEVELOPMENT, INC.

By: _____

Name: _____

Title: _____

[Signature Page to Security Agreement]

APPENDIX I

“Accounts” means all of Debtor’s now owned or existing or hereafter acquired or arising accounts and includes all of Debtor’s rights to payment arising out of the transfer of rights in Debtor’s tangible or intangible personal property.

“Account Debtor” means each person who is obligated on, under, or with respect to any Payment Rights Collateral.

“Chattel Paper” means all of Debtor’s now owned or existing or hereafter acquired or arising, tangible and intangible chattel paper.

“Collateral” has the meaning specified in Section 2.1.

“Deposit Accounts” means all of Debtor’s now owned or existing or hereafter acquired or arising deposit accounts.

“Documents” means all of Debtor’s now owned or existing or hereafter acquired or arising documents.

“Equipment” means all of Debtor’s now owned or existing or hereafter acquired or arising equipment of every description used or useful in the conduct of Debtor’s business, including motor vehicles, and all accessories, accessions, additions, attachments, substitutions, replacements, improvements, parts, and other property now or hereafter affixed thereto or used in connection therewith.

“General Intangibles” means all of Debtor’s now owned or existing or hereafter acquired or arising general intangibles (including all payment intangibles) and in any event includes all rights to tax refunds, all copyrights, patents, trademarks, trade secrets, service marks, formulae, blueprints, technology, trade dress, logotypes, rights arising out of leases, licenses, and contracts which are not accounts, chattel paper, or instruments (including, without limitation, dividends and rights to payment arising out of partnership agreements and management contracts), computer software, options, warranties, service contracts, program services, rights to refund, reimbursement, indemnification, and subrogation, goodwill, licenses, royalties, franchises, customer lists, reversions from any retirement plan or arrangement, and all other choses in action and causes of action.

“Instruments” means all of Debtor’s now owned or existing or hereafter acquired or arising instruments, including all of Debtor’s promissory notes.

“Intangible Collateral” means all Collateral other than Equipment and Inventory.

“Inventory” means all of Debtor’s now owned or existing or hereafter acquired or arising goods, merchandise, and other personal property furnished under any contract of service or intended for sale or lease, including all raw materials, work in process, finished goods and materials and supplies, of any kind, nature, or description, that are used or consumed by Debtor’s business, or are or might be used in connection with the manufacture, packing, shipping, advertising, selling, or finishing of such goods, merchandise, and other personal property, all

goods consigned by or to Debtor, all goods previously constituting Equipment which are at any time in question being held for sale or lease in the ordinary course of Debtor's business, and all returned or repossessed goods now or at any time or times hereafter in the possession or under the control of Debtor.

“Investment Property” means all of Debtor's now owned or existing or hereafter acquired or arising investment property but excluding any property otherwise pledged to the Secured Party pursuant to a pledge agreement.

“Letter of Credit Rights” means all of Debtor's now owned or existing or hereafter acquired or arising rights to payment and performance under any letter of credit.

“Payment Rights Collateral” means all Collateral consisting of (a) General Intangibles which constitute payment intangibles, (b) Accounts, and (c) Chattel Paper.

“Security Agreement” means this Security Agreement and all amendment hereof or supplements hereto.

“Security Interest” means the security interest granted by Debtor to Secured Party under this Security Agreement.

EXHIBIT 3.2(b)

Trade Names

EXHIBIT 3.4

Locations