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10-7-98

RECORD  
TRADE

10-14-1998



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To the Honorable Commissioner of Patents and Trademarks

100848888

of documents or copy thereof.

1. Name of conveying party(ies)

PENOP LIMITED

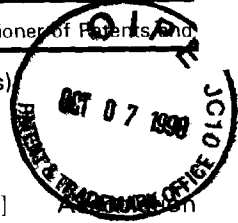
- Individual(s)
- General Partnership
- Corporation-State
- Other: UK Corporation

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

3. Nature of conveyance:

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

Execution Date: October 1, 1998



2. Name and address of receiving party(ies):

Name: ALEXANDRA PENOP, LLC

Internal Address:

Street Address: **745 Fifth Avenue**

City: **New York State: N.Y.** Zip: **10151**

- Individual(s) citizenship
- Association
- General Partnership
- Limited Liability Company-Delaware
- Corporation-State
- 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 registration number(s):

A. Trademark Application No.(s)

- 75/053,288 BIOMETRIC TOKEN
- 75/053,287 GRAVITY PROMPT
- 75/470,328 CEREMONY
- 75/053,293 DESIGN ONLY

Additional numbers attached?  Yes  No

B. Trademark registration No.(s)

1,798,571

EXPRESS MAIL CERTIFICATE  
Date: 10-7-98 Label No. 445426514

I hereby certify that on the date indicated above I deposited this paper or fee with the U.S. Postal Service & that it was addressed for delivery to the Commissioner of Patents & Trademarks, Washington, DC 20231 by "Express Mail Post Office to Addressee" service.

*D Beck*  
Signature

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

Name: Darby & Darby P.C.

Internal Address:

Street Address: 805 Third Avenue, 27th Floor

City: New York State: New York Zip: 10022-7513

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:

04-0100

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

10/14/1998 DNGUYEN 00000035 1798571

1 FC:481 40.00 OP  
2 FC:482 100.00 OP

DO NOT USE THIS SPACE

fee OK

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.

Joseph B. Lerch  
Name of Person Signing

Signature

*Joseph B. Lerch*

October 7, 1998  
Date

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

14

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

## SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of October 1, 1998, is entered into by and among PENOP LIMITED, a corporation organized under the laws of the United Kingdom ("PenOp UK"), PENOP, INC., a corporation organized under the laws of the State of Delaware ("PenOp US" and, together with Penop US, the "Borrower"), and ALEXANDRA PENOP, LLC, a Delaware limited liability company (the "Secured Party"), pursuant to that certain Investment Agreement dated the date hereof by and between PenOp UK and Secured Party (the "Investment Agreement") and that certain Promissory Note dated the date hereof made by Borrower in favor of the Secured Party (the "Note").

### W I T N E S S E T H:

**WHEREAS**, pursuant to the Investment Agreement, the Secured Party has made a loan to the Borrower evidenced by the Note, all upon the terms and subject to the conditions set forth therein; and

**WHEREAS**, it is a condition precedent to the obligation of the Secured Party to make a loan to the Borrower evidenced by the Note that the Borrower shall have executed and delivered this Security Agreement to the Secured Party.

**NOW, THEREFORE**, in consideration of the foregoing and to induce the Secured Party to make the loan evidenced by the Note to the Borrower, the Borrower hereby agrees with the Secured Party as follows:

**SECTION 1. Defined Terms.** Unless otherwise defined herein, capitalized terms defined in the Investment Agreement or the Note and used herein shall have the meanings ascribed to them in the Investment Agreement or the Note, as the case may be, and the following terms shall have the following meanings:

**"Collateral"** shall mean and include all of Borrower's right, title and interest in and to all property of Borrower whether now or hereafter existing, tangible and intangible, of every kind and description, now owned or hereafter acquired and wherever located, including, but not limited to:

(a) all accounts, instruments, documents, notes, claims, choses in action, money, contract rights, general intangibles (including, but not limited to, insurance proceeds, goodwill, tax refunds, copyrights, customer lists), securities, stock, chattel paper, credits, license

and franchise agreements, machinery and equipment (whether or not attached or affixed to real property), furniture, fixtures, inventory (including, but not limited to, raw materials, work-in-process, semi-finished and finished goods, returned goods, goods held for display or demonstration or out on lease or consignment, in transit goods, goods under letters of credit or trust receipts, and bill and hold goods), software information and computer systems and applications, demands, security deposits, and any other personal property, rights and interests of Borrower, and the proceeds (including any insurance proceeds), products and accessions of and to any thereof;

(b) all U.S. and foreign patents and U.S. and foreign patent applications, including, without limitation, the inventions, designs and improvements described and claimed therein, and those U.S. and foreign patents listed on Schedule 5.1.6 of the Investment Agreement, which is hereby incorporated by reference herein and made a part hereof, and the reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable under and with respect to all patents and patent applications, including, without limitation, all royalties and all damages and payments for past or future infringements thereof (all of the foregoing U.S. and foreign patents and applications are sometimes hereinafter individually and/or collectively referred to as the "Patents");

(c) trademarks, trademark registration, trade names and trademark applications (the terms "trademarks", "trademark registrations" and "trademark applications" being intended to include service marks, certification marks and collective marks and their respective registrations and applications), including, without limitation, the trademarks, registrations and applications listed on Schedule 5.1.6 of the Investment Agreement, which is hereby incorporated by reference herein and made a part hereof, and renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable under all trademarks, trademark registrations, trade names and applications, including, without limitation, damages and payment for past or future infringements thereof (all of the foregoing trademarks, trademark registrations, trade name and applications are sometimes hereinafter individually and/or collectively referred to as the "Trademarks");

(d) any license agreement in which Borrower is or becomes licensed to use know-how, a patent, trademark, trade secret or other proprietary right (except license agreements which are terminable by the licensor upon assignment or purported assignment by the license of its rights thereunder) ("Licenses");

(e) the goodwill of Borrower's business connected with and symbolized by the Patents and Trademarks; and

(f) all books and records pertaining to all of the foregoing, all of which are and shall at all times remain, free and clear of all Liens.

"Debenture" shall mean that certain Debenture by and between PenOp UK and Alexandra dated the date hereof, as amended, supplemental or otherwise modified from time to time.

"Lien" shall mean, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset.

"Obligations" shall mean the unpaid principal of and interest on the Note and all other obligations and liabilities of the Borrower to the Secured Party, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, which may arise under, out of, or in connection with, the Note, this Security Agreement or the Debenture.

"Security Agreement" shall mean this Security Agreement as amended, supplemented or otherwise modified from time to time.

"Security Interest" shall have the meaning set forth in Section 2(b).

"UCC" shall mean the Uniform Commercial Code as in effect in the State of New York from time to time.

SECTION 2. Grant of Security Interest. (a) In order to secure the Obligations, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower hereby grants to the Secured Party a continuing security interest in all of the Collateral.

(b) The security interest granted pursuant to this Section 2 (the "Security Interest") is granted as security only and shall not subject the Secured Party to, or transfer or in any way affect or modify, any obligation or liability of the Borrower under any of the Collateral or any transaction which gave rise thereto.

(c) To the extent the granting of a Security Interest in any contract rights of the Borrower would, with or without the giving of notice or the passage of time or both, conflict with the contract giving rise to such rights or result in a default or loss of rights, or give rise to any right of termination, cancellation or acceleration, under such contract, the Borrower agrees to take any action which the Secured Party may reasonably request in order to obtain any necessary consent of the parties to such contract to allow for the granting of a Security Interest in the rights arising thereunder. Failure to obtain such consent will not constitute a default under the Note or this Security Agreement; provided that Borrower agrees to use reasonable commercial efforts to do so.

SECTION 3. Filing; Further Assurances. The Borrower, at its expense, will execute, deliver, file (in such manner and form as the Secured Party may reasonably require), or permit the Secured Party to file and record, any financing statements, any carbon, photographic or other reproduction of a financing statement or this Security Agreement (which shall be sufficient as a financing statement hereunder), any specific assignments or other paper that may be reasonably necessary or desirable, or that the Secured Party may reasonably request, in order to create, preserve, perfect or validate any Security Interest or to enable the Secured Party to exercise and enforce its rights hereunder with respect to any of the Collateral. The Borrower hereby appoints

the Secured Party, which appointment is irrevocable and coupled with an interest, as its attorney-in-fact to execute in the name and on behalf of Borrower such additional financing statements as the Secured Party may reasonably request.

**SECTION 4. Representations and Warranties of the Borrower.** The Borrower hereby represents and warrants to the Secured Party that it:

(a) is, or to the extent that certain of the Collateral may be acquired after the date hereof, will be, the owner of the Collateral free from any adverse Lien, except as otherwise expressly permitted in writing by the Secured Party (any such adverse Lien referred to in this Section 4(a) shall be referred to herein as a "Prior Lien"); and

(b) except for such financing statements relating to Prior Liens, no financing statement covering the Collateral is on file in any public office, other than the financing statements filed pursuant to this Security Agreement and the Debenture.

**SECTION 5. Covenants of the Borrower.** The Borrower hereby covenants and agrees with the Secured Party that it:

(a) will defend the Collateral against all claims and demands of all persons (excluding holders of any Prior Liens) at any time claiming any interest therein senior to that of the Secured Party;

(b) will promptly, in accordance with its normal business practices, pay any and all taxes, assessments and governmental charges upon the Collateral prior to the date penalties are attached thereto, except to the extent otherwise permitted by the Secured Party;

(c) will immediately notify the Secured Party of any event causing a substantial loss or diminution in the value of all or any material part of the Collateral and the amount or an estimate of the amount of such loss or diminution;

(d) will have and maintain insurance of the Collateral in such amounts as is commercially reasonable;

(e) will not sell or offer to sell or otherwise assign, transfer or dispose of the Collateral or any interest therein (other than licensing in the ordinary course of business), without the written consent of the Secured Party, which consent shall not be unreasonably withheld;

(f) will keep the Collateral free from any adverse Lien (other than any Prior Liens) and will not waste or destroy the Collateral or any part thereof; and

(g) will not knowingly use the Collateral in violation of any statute or ordinance, the violation of which could materially impair the value of the Collateral.

**SECTION 6. Records Relating to Collateral.** The Borrower will keep its records concerning the Collateral at its address indicated on the signature page hereof or at such other place or places of which the Secured Party shall have been notified in writing upon no less than ten (10) days advance written notice. The Borrower will hold and preserve such records and will permit, upon reasonable advance notice, representatives of the Secured Party, during normal business hours without disrupting Borrower's business, to examine, inspect and make abstracts from such records and will furnish to the Secured Party such information and reports regarding the Collateral as the Secured Party may from time to time reasonably request; provided, however, that the Secured Party and its representatives shall keep such abstracts, records, information and reports confidential.

**SECTION 7. Rights and Remedies.** (a) Upon the occurrence of any Event of Default (as defined in the Note), such default not having previously been remedied or waived, the Secured Party shall have the following rights and remedies:

- (i) The right, at its option, by written notice to the Borrower, to declare the entire unpaid balance of the Note to be immediately due and payable and thereupon such amount together with all costs, fees and expenses incurred in connection therewith, shall be immediately due and payable, except that upon an occurrence of an Event of Default by virtue of failure to pay all principal and interest due at the Maturity Date, no declaration or notice shall be required.
- (ii) All rights and remedies provided by law, including, without limitation, those provided by the Uniform Commercial Code as in effect in the State of New York from time to time (the "UCC").
- (iii) The right to take possession of the Collateral and, in addition thereto, the right to enter upon any premises, during normal business hours, on which the Collateral or any part thereof may be situated, without notice, and remove the same therefrom, and to complete any uncompleted inventory in the process of completion. The Secured Party may require the Borrower to make the Collateral (to the extent the same is moveable) available to the Secured Party at a place to be designated by the Secured Party which is convenient to the Secured Party. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party will give the Borrower at least ten (10) days' prior written notice at the address of the Borrower set forth above (or at such other address or addresses as the Borrower shall specify in writing to the Secured Party) 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. Any such notice shall be deemed to meet any requirement hereunder or under any applicable law (including the UCC) that reasonable notification be given of the time and place of such sale or other disposition. After deducting all costs and expenses of collection, storage, custody, sale or other disposition and delivery (including reasonable legal costs and attorneys' fees) and all other charges against the Collateral, the remaining proceeds of any such sale or disposition shall be applied to the payment of the Obligations in such order of priority as the Secured Party shall determine and any surplus shall be returned to the Borrower or to any person or party lawfully entitled thereto (including, if applicable, any subordinated creditors of the Borrower). In the event the proceeds of any sale, lease or other disposition of the Collateral hereunder are insufficient to pay all of the Obligations in full, the Borrower will be liable for the deficiency, together with interest thereon at the highest rate of interest provided in this Note, and the costs and expenses of collection of such deficiency, including (to the extent permitted by law), without limitation, reasonable attorneys' fees, expenses and disbursements.

(b) Upon the occurrence of an Event of Default, the Secured Party shall have the following additional rights and remedies: (i) upon notice from the Secured Party, Borrower shall not make any use of the Patents, Trademarks or Licenses for any purpose or any of Borrower's rights with respect to any of the foregoing; (ii) the Secured Party may, at any time and from time to time, upon ten (10) days' prior written notice to Borrower, license, on a royalty-free basis, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any of the Patents, Trademarks or Licenses, throughout the world for such term or terms, on such conditions, and in such manner, as the Secured Party shall in its sole discretion determine; and (iii) the Secured Party may (without assuming any obligations or liability thereunder), at any time, enforce (and shall have the exclusive right to enforce) against any license or sublicensee all rights and remedies of Borrower in, to and under any one or more license agreements with respect to the Patents, Trademarks or Licenses, and take or refrain from taking any action under any thereof, and Borrower hereby releases the Secured Party from, and agrees to hold the Secured Party 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, other than claims arising from the Secured Party's gross negligence or willful misconduct.

(c) Borrower shall provide the Secured Party quarterly with a list of all new applications for Patents and Trademarks and new Licenses and a list of the issuance, reissuance, division, extension or continuation of any Patents and/or Trademarks on its applications, which new applications, patents, trademarks, copyrights and licenses shall be subject to the terms and conditions of this Agreement.

(d) The Borrower hereby appoints, which appointment is irrevocable and coupled with an interest, the Secured Party its lawful attorney with full power of substitution, in its name, for the sole use and benefit of the Secured Party, but at the Borrower's expense, to exercise, all or any of the foregoing powers with respect to all or any of the Collateral following an Event of Default.

(e) All rights and remedies available to the Secured Party pursuant to the provisions of this Security Agreement, the Debenture, applicable law and otherwise are cumulative, not exclusive, and enforceable alternatively, successively and/or concurrently by Secured Party.

**SECTION 8. Expenses; Secured Party's Lien.** The Borrower will forthwith upon demand pay to the Secured Party:

(a) the amount of any taxes which the Secured Party may have been required to pay by reason of the Security Interest (including any applicable transfer and personal property taxes but excluding taxes in respect of the Secured Party's income, profits and business activities) or to free any of the Collateral from any Lien thereon; and

(b) the amount of any and all reasonable out-of-pocket expenses, including the reasonable fees and disbursements of its counsel and of any agents not regularly in their employ, which the Secured Party may incur in connection with (i) the collection, sale or other disposition of any of the Collateral, (ii) the exercise by the Secured Party of any of the powers conferred upon it hereunder, or (iii) any default on the part of any of the Borrower hereunder.

**SECTION 9. Termination of Security Interests; Release of Collateral.** Upon the repayment and performance in full of all the Obligations, the Security Interest shall terminate and all rights to the Collateral shall revert to the Borrower. Upon any such termination of the Security Interest or release of Collateral, the Secured Party, at the Borrower's expense, will execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence the termination of the Security Interest or the release of such Collateral, as the case may be.

**SECTION 10. Existence of Prior Lien(s).** The Secured Party hereby acknowledges the existence of the Prior Lien(s) and agrees that all of its rights hereunder shall at all times be subject to the rights of the holder(s) of the Prior Lien(s) in and to the Collateral.

**SECTION 11. Notices.** All notices, demands and other communications pursuant hereto shall be given to the parties at their respective addresses indicated on the signature page hereto, and in all other respects in accordance with Section 7.1 of the Investment Agreement.

**SECTION 12. Miscellaneous.** (a) No failure on the part of the Secured Party to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power



or remedy under this Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by the Secured Party of any right, power or remedy under this Security Agreement preclude any other right, power or remedy. The remedies in this Security Agreement are cumulative and are not exclusive of any other remedies provided by the Debenture or by law. Neither this Security Agreement nor any provision hereof may be changed, waived, discharged or terminated orally but only by a statement in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought.

(b) This Security Agreement shall be construed in accordance with and governed by the laws of the State of New York, excluding therefrom any principles of conflicts of laws.

(c) This Security Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Security Agreement.

(d) The Borrower hereby agrees to execute and deliver such further instruments and documents as may be reasonably requested by the Secured Party in order to carry out fully the intent and accomplish the purposes of this Security Agreement. The Borrower agrees to take any action which the Secured Party may reasonably request in order to obtain and enjoy the full rights and benefits granted to the Secured Party by this Security Agreement including specifically, at the Borrower's own cost and expense, the use of diligent efforts to assist in obtaining the consent of any agency or governmental authority for an action or transaction contemplated by this Security Agreement which is then required by law.

SECTION 13. Consent to Jurisdiction. Borrower irrevocably: (a) agrees that any suit, action or other proceeding arising out of this Security Agreement shall be brought only in the courts of the State of New York or the courts of the United States located within the State of New York, in each case in the County of New York, (b) consents and submits to the exclusive jurisdiction of each such court in any such suit, action or proceeding, (c) waives any objection which it may have to personal jurisdiction or the laying of venue of any such suit, action or proceeding in any of such courts, and agrees not to seek to change venue, and (d) waives the right to trial by jury in any suit, action or other proceeding. Borrower hereby designates and appoints PenOp, Inc., 1212 Avenue of the Americas, 18th Floor, New York, New York 10036, Attention: Lisa Broderick (the "Authorized Agent") as its agent to accept and acknowledge on its behalf service of any and all process which may be served in any such suit, action or other proceeding, and agrees that service upon such Authorized Agent shall be deemed in every respect good and sufficient service of process on the Borrower, or its respective successors or assigns. The Borrower represents and warrants that the Authorized Agent has agreed to act as such agent for service of process. Nothing contained herein shall affect the right of any party to serve process in any other manner permitted by law. The Borrower covenants not to assert as any defense in any suit, action or other proceeding insufficiency of service of process (if process is served as provided herein on the Authorized Agent), lack of personal jurisdiction, or

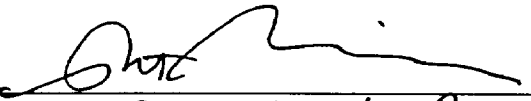
that venue is improper or should be transferred to another jurisdiction for any reason whatsoever including, but not limited to, convenience of the parties.

SECTION 14. Severability. If any provision hereof is found by a court of competent jurisdiction to be invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Secured Party.

IN WITNESS WHEREOF, this Security Agreement has been executed by the parties hereto as of the day and year first above written.

Secured Party:

ALEXANDRA PENOP, LLC

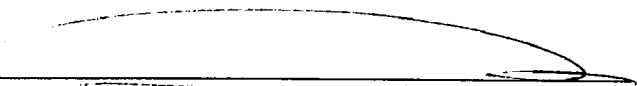
By:   
Name: Rust Muirhead  
Title: Vice President

Address:

745 Fifth Avenue  
New York, New York 10151  
Attention: Richard Treibick  
Facsimile: (212) 688-3043

The Borrower:

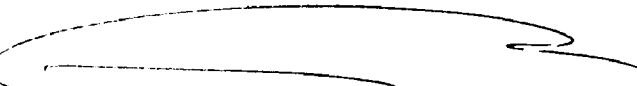
PENOP LIMITED

By:   
Name: Lisa A. Broderick  
Title: CEO

Address:

Vallis House  
57 Vallis Road  
Frome, Somerset BA11 3EG  
Attention: ~~Jeremy Mark Newman~~ Lisa A. Broderick  
Facsimile: 44-1373-452744  
CEO

PENOP, INC.

By:   
Name: Lisa A. Broderick  
Title: Authorized Representative

## Schedule 5.1.6

Note: The UK corporation now known as "PenOp Limited" was previously known as "Peripheral Vision Limited." In the following, Peripheral Vision Limited may be identified as the assignee of an issued or pending patent, but in each case, that is the company now known as PenOp Limited.

### Patents.

#### Patents Developed Internally:

USA 5,544,255 - filed Aug. 31, 1994, issued on Aug. 6 1996.

Inventors: Christopher Paul Kenneth Smithies, Jeremy Mark Newman.

Assignee: Peripheral Vision Limited.

Australia: pending 34614/95 Filed 25 Feb 1997, related to '255 patent application.

Canada: pending 2198845 Filed 28 Feb 1997, related to '255 patent application.

China: pending no. 95195333.8 Filed 28 Feb 1997, related to '255 patent application.

European: pending no. 95931027.7 Filed 28 Feb 1997, related to '255 patent application.

Japan: pending no. B-50B954 Filed 28 Feb 1997, related to '255 patent application.

Rep. Korea: pending no. 97-701353 Filed 28 Feb 1997, related to '255 patent application.

New Zealand: pending no. 292439 Filed 28 Feb 1997, related to '255 patent application.

Singapore: pending no. 97008973 Filed 29 Aug 1997 (first 73 claims granted), related to '255 patent application.

USA 5,674,017 - filed May 9, 1996, issued Jul. 8 1997.

Inventors: Christopher Paul Kenneth Smithies, Corfe Mullen, Jeremy Mark Newman.

Assignee: Peripheral Vision Limited, Continuation Application based on '255 patent application and its continuations.

USA, Patent Application 08/859,626, pending no. 859632, filed 20 May 1997, with notice of allowance granted and issue fee paid, expected to issue by November, 1998. Continuation of '255 patent application and its continuations.

USA, Patent Application 09/112,224, filed July 8, 1998. Continuation of '255 patent application and its continuations.

USA, Patent Application 09/024,835, filed Feb. 17, 1998. Inventors: Christopher Paul Kenneth Smithies, Jeremy Mark Newman, and Benjamin Wright. Assignee: PenOp Limited.

Patent property acquired from AEA Technology:

In April 1998 the Company acquired property from AEA Technology. The Company's knowledge about this property is incomplete, and limited to information on deeds of assignment given to the Company, which information is repeated below. Assignments to the Company have yet to be recorded.

USA pending no. 08/823648 filed 31 Jan 1997 in respect of the Countermatch technology: Company has a deed of assignment dated 6 Apr 1998 to PenOp Limited. The Patentor is described in the deed as "Bishop et al".

USA granted no. 5,644,655 filed May 3, 1995, issued Jul. 1, 1997 in respect of the Chequematch technology: Company has a deed of assignment dated 6 Apr 1998 to PenOp Limited. Patentor is "Windsor; Colin George, Goring, United Kingdom".

Japan pending no. 4/238129 filed 7 Jul 1992 in respect of the Countermatch technology.

Japan pending no. 07-114353 filed 12 May 1995 in respect of the Chequematch technology.

EC (France, Germany, Eire, Italy, Luxembourg, Netherlands, Spain, Sweden, Switzerland, Liechtenstein, UK) pending no. 95 302939.4 (pub.no. 0682325) filed 28 Apr 1995 in respect of Chequematch: Company has a deed of assignment, not mentioning patentors, dated 6 April 1998 to PenOp Limited.

UK pending no. 97 17696.0 filed 22 Aug 1997 in respect of Authosign ("Process Control"): Company has a deed of assignment, not mentioning patentors, dated 6 Apr 1998.

Trademarks.

The Company has filed trademark applications for these trademarks developed internally by the Company: PENOP, BIOMETRIC TOKEN, GRAVITY PROMPT, CEREMONY, and its unique Triangle Logo. In autumn 1997 all of these trade-marks (to the extent applications had been made then) were transferred from the name Peripheral Vision Limited to PenOp Limited.

Japan: PENOP, Class 9, app no 8-17357; Pending, appealing rejection.

Japan: Triangle, Logo Class 16, app no 8-17356, pending, examination report received.

Japan: Triangle Logo, class 9, app no 8-17355 pending.

USA: BIOMETRIC TOKEN, classes 9 & 16, app no 75/053,288: examination under way.

USA: GRAVITY PROMPT, classes 9 & 16, app no 75/053,287: Official Gazette 4 Nov 1997.

USA: PENOP, class 9, registered no. 1798571 renewal due 12 Oct 2003.

USA: CEREMONY, classes 9 & 16, app no. 75/470,328, application filed 20 Apr 1998.

USA: Triangle Logo (series of 2), classes 9 & 16, app no. 75/053,293 examination pending.

UK: BIOMETRIC TOKEN, classes 9 & 16, registered no. 2048515, renewal due 13 Dec 2005.

UK: GRAVITY PROMPT, classes 9 & 16, registered no. 2048519, renewal due 13 Dec 2005.

UK: PENOP, class 9, registered no. 1550038, renewal due 8 Oct 2000.

UK: Triangle Logo (series of 2), classes 9 & 16, registered no. 2048521, renewal due 13 Dec 2005.

EC: CEREMONY, classes 9 & 16, app no 000766550 filed 27 Apr 1998.

In April 1998 the Company acquired from AEA Technologies rights in the trademarks CHEQUEMATCH, COUNTERMATCH, and AUTHOSIGN. The Company's information about these trademarks is limited. Below is the Company's information about trademark applications.

Instructions have been given to counsel to transfer the AEA Technology trade-marks to PenOp Limited.

USA: CHEQUEMATCH, class 9, app no. 75/030,621 pending.

UK: COUNTERMATCH, class 9, registered no. 1570030 (granted 23 Apr 1994).

UK: COUNTERMATCH, class 16, registered no. 1570031 (granted 23 Apr 1994).

UK: CHEQUEMATCH, class 9, registered no. 2027654 (granted 20 Jul 1995).

UK: AUTHOSIGN, class 9, registered no. 2136421 (granted 20 June 1997).

EC: AUTHOSIGN, class 9, app no. 000707588 filed 16 Dec 1997.

Brazil: COUNTERMATCH, classes 9.40 and 9.55, reg. no. 8187719922 (granted 14 Sep 1995).

France: CHEQUEMATCH, class 9, reg. no. 96/605351 (granted 11 Jan 1996).

Italy: CHEQUEMATCH, class 9, app no. T096C000141.

Benelux: CHEQUEMATCH, class 9, reg. no. 587117 (granted 4 Dec 1995).

Germany: CHEQUEMATCH, class 9, reg. no. 39550684.0 (granted 4 Dec 1995).

Switzerland: CHEQUEMATCH, class 9, reg. no. 438781 (granted 4 Dec 1995).

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US copyright registration No. TX 3273936 for "PENOP: Pen to Peer Biometric Security for Pen-Based Computing" (1995)

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