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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



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To the Honorable Commissioner of Patents and

100990170

original documents or copy thereof.

1. Name of conveying party(ies):

SSC ACQUISITION CORP.
(d/b/a "SCIENTIFIC SYSTEMS")

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other IRREVOCABLE POWER OF ATTORNEY
- Merger
- Change of Name

Execution Date: 10 MARCH 1999

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

Name: THE CIT GROUP/BUSINESS CREDIT, INC.

Internal Address: LEGAL DEPARTMENT

Street Address: 1211 AVENUE OF THE AMERICAS

City: NEW YORK State: NY ZIP: 10036

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State NEW YORK
- 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)

B. Trademark registration No.(s)

- 1. 1,667,495 MARCH 3, 1992
- 2. 1,856,604 OCT. 4, 1994
- 3. 1,898,647 JUNE 13, 1995

Additional numbers attached? Yes No

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

Name: Return To
 Internal National Corporate Research, LTD.
225 W. 34th St., Suite 910
New York, N.Y. 10122
(800) 221-0102 (212) 947-7200

Street Address: 1211 AVENUE OF THE AMERICAS

City: NEW YORK State: NY ZIP: 10036

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41):..... \$ 90⁰⁰

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. Statement and signature.

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

BRIAN P. ISOLAND
Name of Person Signing

11 March 1999
Date

Total number of pages comprising cover sheet: 12

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

03/22/1999 DNGUYEN 00000112 1667495

01 FC:481
02 FC:482

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

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

TRADEMARK

REEL: 1872 FRAME: 0847

**GRANT OF SECURITY INTEREST IN
PATENTS, TRADEMARKS AND LICENSES**

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (the "Agreement") is made this 10th day of March, 1999 by **SSC ACQUISITION CORP.** (d/b/a "**SCIENTIFIC SYSTEMS**"), a Delaware corporation, having its principal place of business located at 9020 Choctaw Drive, Baton Rouge, Louisiana 79815 (the "Company"), and The CIT Group/Business Credit, Inc., a New York corporation having offices located at 1211 Avenue of the Americas, New York, New York 10036 ("CIT").

W I T N E S E T H:

WHEREAS, the Company and CIT are parties to a certain Financing Agreement of even date herewith, as the same may be amended from time to time (herein the "Financing Agreement"), which Financing Agreement provides, among other things, (i) for CIT to make certain loans, advances and extensions of credit to or for the account of the Company and (ii) for the grant by the Company to CIT of security interests in certain of the Company's assets including, without limitation, its patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, tradenames, goodwill and licenses, all as more fully set forth therein.

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. **Definitions.** Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.
2. **Grant of Security Interest.** To secure the payment of the Obligations the Company hereby grants to CIT a security interest, effective immediately, in all of the Company's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively, the "Intellectual Property Collateral"):

- (i) Patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications listed on **Schedule A** attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");
- (ii) Trademarks, trademark registrations and/or applications and tradenames including, without limitation, the trademarks and applications, if any, listed on **Schedule B** attached hereto and made a part hereof, and any and all reissues and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademark Collateral");
- (iii) Any license agreement in which the Company is or becomes licensed to use any patents and/or trademarks owned by a third party including (subject to any restrictions on transfer, assignment or security interest to which such licensed Intellectual Property Collateral may be subject), without limitation, the licenses, if any, listed on **Schedule C** attached hereto and made a part hereof (all of the foregoing are sometimes referred to herein individually and/or collectively as the "License Collateral");
- (iv) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral; and
- (v) All cash and noncash proceeds of the foregoing.

3. **CIT's Rights.** Upon the occurrence of any Event of Default hereunder, CIT shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CIT will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to

the address of the Company set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CIT upon the occurrence of any Event of Default hereunder, CIT shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CIT concurrently with this Agreement to enable such rights to be carried out. The Company agrees that, in the event CIT exercises its rights hereunder and/or pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CIT to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that, unless and until there occurs an Event of Default under this Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom; provided, however that, from and after the occurrence of an Event of Default; such right will, upon the exercise by CIT of the rights provided by this Agreement, be revoked and the right of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, and whereupon CIT or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This Agreement will not operate to place upon CIT any duty or responsibility to maintain the Intellectual Property Collateral.

4. **Fees.** The Company shall pay all filing fees with respect to the security interests created hereby which CIT may deem necessary or advisable in order to perfect and maintain the perfection of its security interests in the Intellectual Property Collateral.

5. **Representations and Warranties.** The Company represents and warrants: that the Company lawfully possesses and owns the Intellectual Property Collateral and that, except for the security interests granted hereby and Permitted Encumbrances (as defined in the Financing Agreement), if any, the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; that the Company has not made or given any prior assignment, transfer or security interest in any of the Intellectual Property Collateral or any of the proceeds thereof; that the Intellectual Property Collateral is and will continue to be, in all respects, in

full force and effect; and that there are no known infringements of the Intellectual Property Collateral.

6. **Application of Proceeds.** The proceeds of any sale, transfer or disposition of any of the Intellectual Property Collateral shall be applied first to all costs and expenses including, but not limited to, reasonable attorneys' fees and expenses and court costs incurred by CIT in connection with such sale and the exercise of CIT's rights and remedies hereunder and under the Financing Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CIT in such order as CIT may elect; and the balance, if any, shall be paid to the Company or as a court of competent jurisdiction may direct.
7. **Defense of Claims.** The Company will defend at its own cost and expense any action, claim or proceeding affecting any of the Intellectual Property Collateral or the interests of CIT therein. The Company agrees to reimburse CIT for all costs and expenses incurred by CIT in defending any such action, claim or proceeding.
8. **Rights Cumulative.** This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify or limit the Financing Agreement or any rights of CIT under the Financing Agreement. The Company shall execute and deliver to CIT (at the Company's expense) any additional documentation necessary to carry out the intents or purposes of this Agreement including, but not limited to, financing statements under the Uniform Commercial Code.
9. **Construction and Invalidity.** Any provisions hereof contrary to, prohibited by or invalid under, any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.
10. **CHOICE OF LAW.** THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANY AND CIT WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN A WRITING SIGNED BY CIT AND THE COMPANY AND SHALL BIND AND BENEFIT THE COMPANY, CIT AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. EACH OF THE COMPANY AND CIT HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL

BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.

11. **Events of Default.** Any of the following constitutes an Event of Default under this Agreement:
- (i) The Company fails to perform or observe any agreement, covenant or condition required under this Agreement and such failure remains uncured for ten (10) Business Days;
 - (ii) Any warranty or representation made by Company in this Agreement shall be or become false or misleading in any material respect; or
 - (iii) The occurrence of any Event of Default under, and as such term is defined in, the Financing Agreement, which Event of Default is not waived in writing by CIT.
12. **Notices.** The Company covenants and agrees that, with respect to any of the Intellectual Property Collateral, it will give CIT written notice in the manner provided in the Financing Agreement of:
- (i) any claim by a third party that the Company has infringed on the patent or trademark rights of a third party;
 - (ii) any suspected infringement by a third party on the patent or trademark rights of the Company; or
 - (iii) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.
13. **Further Assurances.** The Company will take any such action as CIT may reasonably require to further confirm or protect CIT's rights under this Agreement and in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CIT a power of attorney coupled with an interest which shall be irrevocable during the term of this Agreement to execute any documentation or take any action on the Company's behalf in order to effect the terms, provisions and conditions of this Agreement.

14. **Termination.** This Agreement shall be terminable upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of the Company thereunder. Thereafter, upon the Company's written request therefor, CIT shall, within a reasonable time execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interests granted herein on any applicable public record.

IN WITNESS WHEREOF, the Company and CIT have executed this Agreement by their duly authorized officers as of the date first written above.

SSC ACQUISITION CORP.

By: Balbir B. Kapany
Balbir B. Kapany
President

Agreed and Accepted this
10th day of March, 1999

THE CIT GROUP/BUSINESS CREDIT, INC.

By: David Kuplowitz
Name: David Kuplowitz
Title: Vice President

IRREVOCABLE POWER OF ATTORNEY

SSC ACQUISITION CORP. (d/b/a "**SCIENTIFIC SYSTEMS**"), a Delaware corporation having its principal place of business located at 9020 Choctaw Drive, Baton Rouge, Louisiana 79815, (the "Company"), hereby grants to **THE CIT GROUP/BUSINESS CREDIT, INC.**, a New York corporation having offices located at 1211 Avenue of the Americas, New York, New York 10036 ("CIT"), the exclusive Irrevocable Power of Attorney to transfer to CIT or to any designee of CIT any and all Intellectual Property Collateral listed on the Schedules attached to the Grant of Security Interest in Patents, Trademarks and Licenses (the "Agreement") between the Company and CIT including, without limitation, all patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, and licenses, together with the goodwill of the business connected with or symbolized by such Intellectual Property Collateral and the Company's entire inventory of labels and decals bearing any trademarks not affixed to its products, and the right to operate and control, sell, assign, and transfer the business under any Intellectual Property Collateral under the following terms and conditions:

1. The Power of Attorney granted hereunder shall be effective as of the date hereof and shall last for as long as any now existing or hereafter arising indebtedness, liabilities or obligations of the Company to CIT are outstanding under the Financing Agreement between the Company and CIT;

2. The Power of Attorney granted herein shall be irrevocable throughout the duration of its life as specified in Paragraph 1 hereinabove;

3. The Power of Attorney granted herein shall only be exercisable by CIT after the occurrence of an Event of Default under the Agreement; and

4. CIT shall give the Company ten (10) days prior written notice of CIT's exercise of this power, and any waiver by CIT of any Event of Default under the Agreement shall have no force or effect unless in writing and signed by an authorized officer of CIT, and any such waiver shall not constitute or be considered a waiver of any other Event of Default then existing or thereafter arising whether similar or not.

IN WITNESS WHEREOF, the Company has caused this Power of Attorney to be executed by its duly authorized officer as of the 10th day of March, 1999.

SSC ACQUISITION CORP.

By: Balbir B. Kapany
Balbir B. Kapany
President

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On March 10, 1999, before me, the undersigned, a notary public in and for said State, personally appeared Mr. Balbir B. Kapany known to me to be the President of **SSC ACQUISITION CORP.** the corporation that executed the within instrument, and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws and a resolution of its board of directors.

WITNESS my hand and official seal.

Brian P. Boland
Notary Public (Notarial Seal)

BRIAN P. BOLAND
Notary Public, State of New York
No. 31-4986946
Qualified in New York County
Commission Expires Sept. 30, 1999

**SCHEDULE A
TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

SSC ACQUISITION CORP.

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. PATENTS

Title

Patent No.

Issue Date

NONE

**SCHEDULE B
TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

SSC ACQUISITION CORP.

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. TRADEMARKS

	<u>Title or Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
1.	"KOOLKART"	1,667,495	March 3, 1992
2.	"S S"	1,856,604	October 4, 1994
3.	"SCIENTIFIC SYSTEMS SS"	1,898,647	June 13, 1995

**SCHEDULE C
TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

SSC ACQUISITION CORP.

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. LICENSES

Name

Registration No.

Registration Date

N O N E