

07-27-1999

Docket No.:

014951/0146



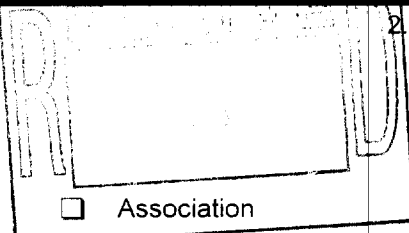
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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
LEADTEC SYSTEMS, INC.



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

Name: **ABLECO FINANCE LLC, as Agent**

Internal Address:

Street Address: **450 PARK AVENUE**

City: **NEW YORK** State: **NY** ZIP: **10022**

- Individual(s)
- General Partnership
- Corporation-State **DELAWARE**
- Other

- Association
- Limited Partnership

Additional names(s) of conveying party(ies) Yes No

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other **DELAWARE LIMITED LIABILITY COMPANY**

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

3. Nature of conveyance:

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

Execution Date: **04201999**

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,145,323

Additional numbers Yes No

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

Name: **JOSHUA R. BRESSLER**

Internal Address: **SCHULTE ROTH & ZABEL LLP**

Street Address: **900 THIRD AVENUE**

City: **NEW YORK** State: **NY** ZIP: **10022**

6. Total number of applications and registrations involved: **1**

7. Total fee (37 CFR 3.41):.....\$ **\$40.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

SCHULTE ROTH & ZABEL LLP - 500675

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DO NOT USE THIS SPACE

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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.

JOSHUA R. BRESSLER

Name of Person Signing

Signature

JULY 22, 1999

Date

Total number of pages including cover sheet, attachments, and

9

ASSIGNMENT FOR SECURITY
(OTHER INTELLECTUAL PROPERTY)

WHEREAS, Leadtec Systems, Inc., a debtor and a debtor-in-possession, or its predecessors-in-interest (collectively, "Assignor") has all right, title and interest to the Other Intellectual Property Collateral, as well as to Patent Collateral, Trademark Collateral, and Copyright Collateral not included within the Assignment For Security-Trademarks, Assignment For Security-Copyrights, and Assignment For Security-Patents (collectively referred to as "Additional Collateral");

WHEREAS, Assignor is obligated to Ableco Finance LLC, a Delaware limited liability company, as lender under that certain Financing Agreement, dated April 20, 1999, between Assignor and Ableco Finance LLC (as the same may be amended, restated, modified or supplemented from time to time, the "Credit Agreement"), and as agent for itself and each person that purchases any portion of Ableco Finance LLC's rights and obligations under the Credit Agreement pursuant to Section 9.13 thereof, collectively, the "Assignee"), and Assignor has entered into a Security Agreement and Mortgage - Intellectual Property dated the date hereof (the "Security Agreement") in favor of Assignee; and

WHEREAS, pursuant to the Security Agreement, Assignor has assigned to Assignee and granted to Assignee a security interest in, and mortgage on, all right, title and interest of Assignor in and to the Additional Collateral and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Obligations, as defined in the Security Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor does hereby further assign unto Assignee and grant to Assignee a security interest in, and mortgage on, the Collateral to secure the prompt payment, performance and observance of the Obligations.

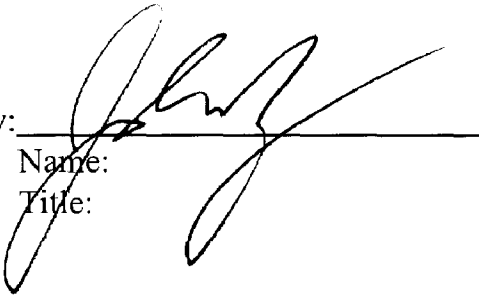
Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignee with respect to the assignment of, security interest in and mortgage on the Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are hereby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

Assignee's address is 450 Park Avenue, 28th Floor, New York, New York 10022.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed by its officer thereunto duly authorized as of the 20th day of April 1999.

LEADTEC SYSTEMS, INC.,

a Debtor and a Debtor-in-Possession

By: 
Name:
Title:

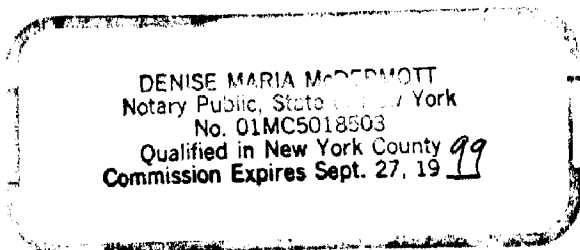
STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

On this 20th day of April 1999, before me personally appeared John K. Ziegler, Sr. to me known, who, being by me duly sworn, did depose and say that he resides at 72 Riverside Ave Basking Ridge, NJ 01920 and that he is VP; Asst Secy of Leadtec Systems, Inc., a debtor and a debtor-in-possession, described in and which executed the foregoing instrument and that he signed his name thereto pursuant to such authority.

Notary Public



Denise Maria McDermott

OTHER INTELLECTUAL PROPERTY

LEADTEC SYSTEMS, INC.

PATENT APPLICATIONS

None

TRADEMARK APPLICATIONS

None

SERVICE MARKS

	REGISTRATION NO.	MARK
Leadtec Systems, Inc.	1,145,323	CAMP (The Service Mark was acquired from Data Basics Corporation and has been licensed back to Data Basics Corporation for use in two markets)

SERVICE MARK APPLICATIONS

None

TRADE DRESS

None

LOGOS

None

DOMAIN NAMES

None

COPYRIGHT APPLICATION

None

MASK WORK REGISTRATION

W6-NY991100.001

None

MASK WORK APPLICATION

None

CORPORATE NAMES

1. Leadtec Systems, Inc.

TRADENAMES

- 1.. Leadtec

LICENSE AGREEMENTS

None

BORROWER LICENSOR AGREEMENTS

1. License agreement accompanying sale of software by Leadtec Systems, Inc. (LSI). Each sale includes the licensing provisions and the indemnification by LSI that are contained in the attached Purchase Agreement.

LEADTEC SYSTEMS INTEGRATED SYSTEM PURCHASE AGREEMENT

This agreement is made by and between Leadtec Systems, Inc., 6800 Owensmouth Avenue, Suite 320, Canoga Park, CA 91303-2091, hereinafter called LSI, and

Name _____
Address _____

hereinafter called Customer. In consideration of the mutual promises and subject to the terms and conditions recited herein, the parties agree as follows:

1. SYSTEM IDENTIFICATION

LSI agrees to sell and Customer agrees to purchase a Computer System collectively consisting of the items listed hereinafter which may include equipment and/or maintenance services:

<u>Quantity</u>	<u>Part Number</u>	<u>Description</u> See Attachment A
	Software (see Article 3)	See Attachment B
	Maintenance Services (see Articles 9, 10, and 11)	See Attachment B
		TOTAL PRICE \$ _____

The foregoing items are scheduled for shipment to Customer on _____, 199__ at

Name: _____
Address: _____

2. DEFINITIONS

PROGRAM - shall mean a set of statements or instructions in machine readable or printed form whether or not denominated "software" intended to be used directly or indirectly by a computer and shall include any related materials such as flow charts and logic diagrams provided for use in connection with such statements or instructions.

LICENSED PROGRAM - shall mean any program listed in Article 3 of this Agreement and any modification or derivative thereof.

MODIFIED PROGRAM - shall mean programs which have been developed to meet the specified needs of a customer. Modified Programs may be in addition to the basic programs or they may be alternative programs which are used instead of the basic programs.

OPTIONAL MATERIAL - shall mean any LSI proprietary machine readable or printed material identified by LSI as being **OPTIONAL MATERIAL**.

CENTRAL PROCESSING UNIT (CPU) - shall mean a digital computer unit and associated computer products upon which Licensed Programs are to be used.

SIMULTANEOUS AUTHORIZED REAL-TIME USER (SARU) LIMIT - The quantity of users licensed to simultaneously access Satellite Plus using real-time terminals.

3. GRANT

A. LSI grants to Customer non-exclusive, non-assignable, and non-transferable licenses with respect to the Programs listed below:

<u>Program</u>	<u>Description</u>	<u>Simultaneous Authorized Real-time User Limit</u>
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to use such Programs only on the following computer(s):

<u>Computer Type</u>	<u>Computer Model</u>	<u>Installed Site</u>
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B. A specific License Agreement is required for each CPU on which a Licensed Program will be used. Title and full ownership rights to each Licensed Program and any Optional Material furnished by LSI shall remain in LSI. Upon termination of any license granted hereunder, Customer shall within twenty (20) days return to LSI the Licensed Programs and any Optional Materials related thereto together with all existing copies thereof.

4. PRICE AND PAYMENT TERMS

A. The price for the Systems to be furnished hereunder is as set forth above and reflects any discounts which may be applicable. The price shown is exclusive of all communication expenses, travel expenses and all taxes, except for taxes specifically indicated, and thus may be subject to an increase equal in amount to any tax LSI may be required to collect and pay with respect to any items furnished hereunder. Customer agrees to reimburse LSI for actual hotel, transportation and communications expenses, plus travel expenses in accordance with LSI's then current price list. Billable services provided in accordance with this Agreement assumes all time dedicated to the customer, including preparation, followup and time spent in-transit to/from, or at the Customer's site.

B. An initial payment of thirty percent (30%) of the Total Price set forth above shall be payable on execution of this Agreement. An additional sixty percent (60%) of the Total Price shall be payable upon shipment to Customer. The balance of ten percent (10%) shall be payable thirty (30) days thereafter. Payments for expenses and other billable services will be due 30 days from date of invoice. If Customer fails to make payments as due, LSI may impose a finance charge on the balance due of 1 1/2% per month and exercise its rights to collection as well as any of its rights provided herein or by law.

C. When Licensed Programs include Satellite Plus software, the above price includes a license fee which is based on the quantity of real-time terminal users (SARU) and other optional software provided in this Agreement. For each additional real-time user simultaneously connected to the system exceeding the SARU limit, Customer shall pay an incremental one-time program license fee of \$95. Some software options (e.g. Batch Option) are licensed to each plant for which the software functionality is to be utilized. All such fees are payable within 30 days of exceeding the SARU limit or the software functionality is first utilized at an additional plant.

5. PERMISSION TO COPY OR MODIFY

Any Licensed Program or Optional Material in machine readable form provided by LSI may not be copied by Customer except that up to three copies may be made by Customer for backup use but only on the aforesaid Licensed CPU(s) or temporary alternatives approved by LSI. Each such copy made by Customer shall be given a unique copy identification number and shall include LSI's copyright and/or restricted use notice. Such copies shall become the property of LSI when made.

Any Licensed Program or Optional Material in printed form provided by LSI hereunder may not be copied by Customer. Customer agrees that these materials contain trade secrets and other proprietary information of LSI and that such materials are provided in confidence for the private use of Customer. Duplicate copies may be obtained from LSI at its standard charges.

Customer agrees to keep all LSI furnished and Customer made copies of Licensed Programs and/or Optional Materials at the Customer site(s) designated in Article 3 hereof.

Customer may modify any Licensed Program and/or Optional Material and merge it into other program material to form an updated work, provided that upon termination of any license granted hereunder, such Licensed Program and Optional Material will be completely removed from the updated work. Any portion of such Licensed Program and Optional Material included in an updated work shall be used only on the CPU(s) designated herein and shall remain subject to all other terms of this Agreement.

6. PROTECTION AND SECURITY OF LICENSED PROGRAM MATERIAL

Customer agrees that during the term of this Agreement, and thereafter, Customer, including its employees and agents shall keep confidential and utilize its best efforts to prevent the disclosure to any third party of Licensed Programs and Optional Materials furnished hereunder. In the event of any such disclosure, Customer agrees to promptly notify LSI upon first learning thereof. Customer acknowledges that LSI may effect certain software and/or hardware devices to aid in the protection of its rights under this Agreement. Such devices may, from time to time, require Customer to refresh authorization codes from LSI in order to affect continued operation of the software.

7. TERM AND TERMINATION

Each License granted by this Agreement shall terminate fifteen (15) years from the date of first shipment of the Licensed Program to Customer and shall be subject to termination by either party upon thirty (30) days written notice to the other party in the event such other party breaches or fails to perform any of the terms or obligations set forth herein and fails to cure such breach or failure to the nonbreaching party's satisfaction within such thirty-day notice period.

8. SHIPMENT

Unless otherwise specified herein, shipment shall be F.O.B. point of origin by LSI or its vendors, on a freight collect basis. Delivery to a carrier constitutes delivery to Customer. Customer shall reimburse LSI for all shipment and insurance expenses including any associated taxes, duties or documentation, with fifteen (15) days of receipt of LSI's written request therefore.

Although LSI shall take all reasonable steps to meet the scheduled shipment date, LSI shall incur no liability to Customer, whether foreseen or not, caused by the failure of LSI or its vendors to meet the scheduled shipment date. However, if shipment does not occur within ninety (90) days of the scheduled shipment date, through no fault of Customer, then LSI, upon written request received prior to shipment, shall terminate this Agreement and refund Customer's deposit.

9. INSTALLATION AND MAINTENANCE

LSI agrees to provide: Installation and training support, 40 hours
Software maintenance services, if included, are to be provided during the period beginning on the date of initial software installation and ending 90 days (1 year for Satellite Plus, Real-Time software) thereafter, with respect to the Programs and initial installation site defined herein. If, after initial installation, a Program is licensed for installation at an additional site(s) maintenance for the additional site shall be extended to the expiration of the maintenance period defined for the initial software installation, as defined above, or 90 days after the Licensed Programs are first installed on the Computer at the additional site(s), whichever is later.

10. LSI MAINTENANCE PERFORMANCE OBLIGATION

During the maintenance period defined, LSI shall:

- A. Provide software configuration, software installation and user training services (as indicated in Article 9 above), to effect operation of the Licensed Programs at Customer's site.
- B. Respond to Customer identified functional problems in unmodified versions of the aforesaid Programs by investigating and analyzing to determine if the problems result from performance outside of specifications. If LSI determines that the unmodified Programs are not in compliance with its specifications, LSI will provide corrections in accordance with warranty provisions stated below and will install corrections without additional cost to the Customer, except as provided for herein.
- C. Provide copies of released revisions to the aforesaid Programs.
- D. When applicable, LSI shall provide updates to accommodate changes in United States federal payroll taxes. Other payroll tax requirements will be the responsibility of the Customer. LSI will provide programming support to incorporate Customer identified changes to accommodate other tax requirements (e.g. state and local taxes) at billing rates then effective.
- E. Provide limited consultation to assist Customer in the isolation of equipment related operational problems.

11. LIMITS OF LSI'S MAINTENANCE PERFORMANCE OBLIGATION

LSI's maintenance performance obligation hereunder is limited to LSI released unmodified versions of the aforesaid Programs. LSI will, at its option, support modified versions at specially quoted charge rates. Where Modified Programs are incorporated, there is no assurance that the modifications will remain compatible with future program versions.

12. CUSTOMER RESPONSIBILITY

To enable LSI to properly perform hereunder, Customer agrees to fully co-operate with LSI and permit free access to Customer's computer equipment and operational data relating to the aforesaid programs.

Where training services are provided, Customer agrees to select its users in accordance with LSI's documented selection criteria and maintain the same personnel throughout the training phase, unless changes are mutually agreed upon.

Customer shall ensure that the installation site fully complies with specifications furnished by LSI.

13. TITLE

The hardware items furnished hereunder shall remain in LSI until the Total Price set forth in Article 1 hereof is paid and LSI is reimbursed for expenses and costs applicable under Articles 4 and 8. Failure to pay when due shall give LSI or its agents the right, upon ten (10) days' notice, to enter upon Customer's premises for the purpose of repossessing such items and the right to repossess and remove the items from Customer's premises.

14. INFRINGEMENT

LSI will defend at its expense any action brought against Customer to the extent it is based on a claim that items furnished hereunder directly infringe any duly issued United States patent or copyright, provided that Customer notifies LSI promptly in writing of the claim and allows LSI to fully participate in and control the defense and/or settlement of such claim. Subject to the limitations of liability stated herein, LSI will pay all damages and costs finally awarded against Customer attributable to such a claim. If items furnished hereunder become, or if in LSI's opinion are likely to become, the subject of a claim of infringement, LSI may procure for Customer the right to continue to use the items, or replace them with non-infringing substitutes or accept the return of the items and grant a credit for such items as depreciated.

LSI shall have no liability to Customer for any claims of infringement based on (1) compliance with Customer's requirements, (2) use of the items in combination with goods not furnished by LSI, (3) a modification of the items after delivery by LSI, (4) the use of such items to perform a patented process, or (5) use of other than the latest unmodified release of Licensed Programs or Optional Materials available from LSI, if such infringement would have been thereby avoided.

If an infringement action is brought against LSI regarding items specially developed to comply with Customer's requirements, then the indemnity obligation herein stated with respect to LSI shall reciprocally apply to Customer.

THE FOREGOING STATES THE ENTIRE LIABILITY OF THE PARTIES FOR INFRINGEMENT

15. WARRANTY

A. LSI will "pass through" and assist the customer in effecting warranty provisions of the original hardware manufacturer.

B. LSI warrants that each Licensed Program will conform to LSI's published specifications when delivered. Customer acknowledges that the Licensed Programs are of such complexity that they may have inherent defects and agrees that as LSI's sole liability and as Customer's sole remedy, LSI will provide reasonable programming services to correct documented errors which LSI's diagnosis indicates are caused by a defect in any unaltered version of the furnished Licensed Programs. This warranty is valid for a period of 90 days (1 year for Satellite Plus, Real-Time software) from the date of initial delivery.

C. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE.

16. LIMITATION ON LIABILITY AND REMEDIES

Except as provided for herein, LSI's entire liability and Customer's exclusive remedy arising out of or in any way connected with this Agreement will not exceed the price of the items furnished hereunder.

LSI WILL NOT BE LIABLE FOR ANY FAILURE OR DELAY IN PERFORMANCE UNDER THIS AGREEMENT DUE IN WHOLE OR IN PART TO ANY CAUSE BEYOND LSI'S CONTROL. IN NO EVENT WILL LSI BE LIABLE FOR ANY LOST PROFITS OR FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEN OR NOT, ARISING OUT OF THIS AGREEMENT OR RELATED IN ANY WAY TO THE ITEMS FURNISHED HEREUNDER.

17. SOLICITATION OF EMPLOYEES

Both parties agree that during the term of the license granted by this Agreement, neither party shall offer employment or a contract for services to an individual who has been an employee of the other party within the previous 3 years, without the prior written consent of the other party.

18. GENERAL

A. This Agreement shall be interpreted and performance thereunder shall be governed by the laws of the State of California for contracts made and to be performed in California, without giving effect to conflict of laws.

B. Customer may not assign this Agreement or any rights granted herein without the express written consent of LSI.

C. Any waiver by LSI of any particular breach or default hereunder by Customer shall not constitute a continuing waiver or waiver of any other breach or default.

D. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Los Angeles, California, in accordance with the Commercial Arbitration Rules of the American Arbitration Association before a panel of three arbitrators. Judgment on award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The prevailing party shall be entitled to recover from the other party, in addition to any other sums due, the reasonable attorney fees, costs and necessary disbursements involved in said arbitration and entry of judgment.

E. Any provision in this Agreement that may be invalid or illegal is severable and shall fail by itself, but shall in no way be held to invalidate any of the remaining provisions otherwise not invalid or illegal.

F. This Agreement expresses the entire understanding of the parties with reference to the subject matter hereof and no representations or agreements modifying or supplementing the terms of this Agreement shall be valid unless in a concurrently dated writing or a writing dated subsequent to the date of this Agreement and signed by a person authorized to sign such Agreement on behalf of each party.

G. CUSTOMER ACKNOWLEDGES THAT HE/SHE HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY THE TERMS AND CONDITIONS HEREIN. Further, Customer agrees that this Agreement is the complete and exclusive statement of the Agreement between the parties and that this Agreement supersedes all proposals or prior agreements, oral or written, and all other communications between the parties relating to the subject matter of this Agreement.

LEADTEC SYSTEMS, INC.

CUSTOMER

By _____
Jack A. Klasky
Division President

By _____
Name _____ Title _____

Date _____

Date _____