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U.S. Department of Commerce

Patent and Trademark Office

101138871

To the Honorable Commissioner of Patents and Trademarks with the attached original documents or copy thereof.

1. Name of conveying party(ies):
 Nine Rivers Technology Corporation

Individual
 General Partnership
 Corporation-State North Carolina
 Other

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

2. Name and address of receiving party(ies):
 First Union National Bank
 First Union Capital Center
 150 Fayetteville Street Mall, Suite 1400
 Raleigh, North Carolina 27602

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other National Banking Association

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: September 3, 1999

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):
75/630,899; 75/468,963; 75/469,295

B. Trademark Registration No(s):
2,172,480; 2,226,259; 2,226,258

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 William Pappas
 First Union National Bank
 First Union Capital Center
 150 Fayetteville Street Mall, Suite 1400
 Raleigh, North Carolina 27602

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41) \$ 165.00

Enclosed
 Authorized to be charged to deposit account

09/08/1999 JSHADAZZ 00000037 75630899

01 FC:481 40.00 OP
 02 FC:482 125.00 OP

8. Deposit account number: 16-1435

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.

William Pappas
 Name of Person Signing

William Pappas
 Signature

September 3, 1999
 Date

Total number of pages comprising cover sheet: 1

Do not detach this portion

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

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 SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement") is made as of this 3rd day of September, 1999, between **NINE RIVERS TECHNOLOGY CORPORATION**, a North Carolina corporation having its principal place of business at 701 Corporate Center Drive, Suite 125, Raleigh, North Carolina 27607 (the "Company") and **FIRST UNION NATIONAL BANK**, a national banking association with an office at 150 Fayetteville Street Mall, Raleigh, North Carolina ("Lender").

RECITALS:

The Company desires to obtain various loans and other financial accommodations from Lender pursuant to that certain Loan Agreement and Security Agreement, each dated as of June 28, 1999, between the Company and Lender (each as at any time amended, the "Loan Agreement" or the "Security Agreement," respectively). In connection with the Loan Agreement, the Company, the Lender and Oberlin Capital, L.P., a Delaware limited partnership (the "Subordinated Creditor"), have entered into that certain Subordination and Intercreditor Agreement dated as of September 3, 1999 (the "Subordination Agreement"). All current and future indebtedness and obligations of the Company to Lender, including without limitation those arising under the Loan Agreement, the Security Agreement or the Subordination Agreement, are hereinafter referred to as the "Obligations". All current and future documents evidencing, securing or otherwise relating to the Obligations, including without limitation the Loan Agreement, the Security Agreement, the Subordination Agreement and this Agreement, together with all modifications, amendments, renewals, extensions and refinancings of the same, are collectively and individually referred to as the "Loan Documents".

Lender is willing to enter into the Subordination Agreement and to make available loans and other financial accommodations to the Company pursuant to the terms of the Loan Agreement, provided that the Company executes this Agreement.

The Company, pursuant to the Loan Documents, has granted to Lender a lien upon and security interest in all or substantially all of the Company's now existing or hereafter acquired assets, including all of the Company's Trademarks (as hereinafter defined);

NOW, THEREFORE, for Ten Dollars (\$ 10.00) and other valuable consideration, and in consideration of the premises, the Company hereby agrees with Lender as follows:

1. All capitalized terms used herein, including those used in the recitals hereto, unless otherwise defined shall have the meanings ascribed to them in the Subordination Agreement or, if not otherwise defined in this Agreement or the Subordination Agreement, in the Loan Agreement. Whenever the word "including" is used in this Agreement, it shall mean "including, without limitation".
2. To secure the payment and performance of the Obligations, the Company hereby pledges, assigns and grants to Lender a continuing first priority security interest in and lien upon all

of the following property of the Company, whether now owned or existing or hereafter acquired (the "Collateral"):

- a. all trademarks, trademark registrations, trade names and trademark applications, including each trademark and application listed on Schedule A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including damages and payments for past or future infringement or dilution thereof or injury to the associated goodwill, (iii) the right to sue for past, present and future infringement or dilution thereof or injury to the associated goodwill, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, trade names and applications, together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks");
- b. the goodwill of the Company's business connected with and symbolized by each Trademark; and
- c. all products and proceeds of the foregoing.

3. The Company represents and warrants that:

- a. Each of the Trademarks is subsisting and has not been adjudged invalid or unenforceable;
- b. Upon filing of this Agreement in the United States Patent and Trademark Office this Agreement will create a legal and valid perfected lien upon and security interest in the Collateral (other than foreign trademarks), enforceable against Borrower and all third persons in accordance with its terms;
- c. To the best of the Company's knowledge, no claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;
- d. The Company has the unqualified right to enter into this Agreement and perform its terms; and
- e. Other than as set forth on Schedule B, the Company is the sole and exclusive owner of the entire right, title and interest in and to each of the Collateral, free and clear of any liens, security interests, charges and encumbrances, including pledges, assignments, licenses, registered user agreements and covenants by the Company not to sue third persons.

4. The Company covenants and agrees that:
- a. The Company will maintain the quality of the products associated with the Trademarks at a level consistent with the quality at the time of this Agreement; and
 - b. The Company will continue to use, for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks and will make all appropriate filings with the United States Patent and Trademark Office to maintain the Trademark registrations in existence, including filing an affidavit of use with the United States Patent and Trademark Office during the sixth year of registration for each Trademark as required by law; provided that the Company may abandon a Trademark at any time after receiving the prior written consent of Lender, which consent shall not be unreasonably withheld.
 - c. The Company shall take such actions, execute such documents, and make such filings as are reasonably necessary for Lender to perfect, and maintain perfection and priority of, the Lender's lien and security interest in the Collateral, now or hereafter existing, including the Trademarks relating to the CurrentView product line in the event that the transfer of such Trademarks to Stephen S. Coffee is not accomplished within thirty (30) days of execution of this Agreement. Without limiting the generality of the foregoing sentence, the Company shall take such actions, execute such documents, and make such filings as are reasonably necessary for Lender to perfect the Lender's first priority lien and security interest in the Trademarks described in Schedule A within thirty (30) days of execution of this Agreement, and the Company's failure to do so shall be a breach of this Agreement and therefore shall constitute a default under all of the other Loan Documents.
5. The Company hereby grants to Lender and its employees and agents the right upon prior notice to the Company to visit the Company's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. The Company shall do any and all acts required by Lender to ensure the Company's compliance with Sections 4(b) and 4(c) of this Agreement.
6. The Company agrees that, until all of the Obligations have been satisfied in full and the Loan Documents terminated, it will not enter into any agreement (including any license agreement) which is inconsistent with the Company's duties under this Agreement.
7. If, before the Obligations have been satisfied in full and the Loan Documents terminated, the Company shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or any renewal of any Trademark, the provisions of Section 2 hereof shall automatically apply thereto, and the Company shall give to Lender prompt notice thereof in writing.

8. The Company authorizes Lender to unilaterally modify this Agreement by amending Schedule A to include any future trademarks and trademark applications within the definition of Trademarks under Section 2 or Section 7 hereof. The Company ratifies and adopts all such modifications and agrees that all such modifications shall be deemed to be the acts of the Company for all purposes. The Lender shall provide the Company with a copy of Schedule A as amended from time to time pursuant to this Section 8.
9. Upon and at any time after the occurrence of a default or event of default under any of the Loan Documents (a "Default" and "Event of Default", respectively), Lender shall have, in addition to all other rights and remedies given it by this Agreement, all rights and remedies under applicable law and all rights and remedies of a secured party under the Uniform Commercial Code as adopted and then in force in the State of North Carolina. Without limiting the generality of the foregoing, Lender may immediately, without notice (except as described in the next sentence, if required by applicable law, and except as otherwise required by applicable law) or demand, each of which the Company hereby waives, collect directly any payments due the Company in respect of the Collateral, or sell at public or private sale or otherwise realize upon all or from time to time, any of the Collateral. The Company hereby agrees that ten (10) days written notice to the Company of any public or private sale or other disposition of any of the Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, Lender may, to the extent permitted by applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Company, which right the Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Collateral all costs and expenses incurred by Lender in enforcing its rights hereunder (including all attorneys' fees and legal expenses), Lender shall apply the remainder of such proceeds to the payment of the Obligations in accordance with the terms of the Loan Documents. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Company. If any deficiency shall arise, the Company and each guarantor of the Obligations shall remain jointly and severally liable to Lender therefor.
10. The Company hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select as the Company's true and lawful attorney-in-fact, with full power to do any or all of the following if a Default or Event of Default shall occur and be continuing: to endorse the Company's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other person or entity, or to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any other person or entity. The Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all of the Obligations shall have been satisfied in full and the Loan Documents shall have been terminated.

11. At such time as all of the Obligations shall have been satisfied finally and in full and the Loan Documents shall have been terminated, Lender shall execute and deliver to the Company, without representation, warranty or recourse, at the Company's expense, all releases and other instruments necessary to terminate Lender's security interest in the Collateral, subject to any disposition thereof which may have been made by Lender pursuant to the terms of this Agreement, the Loan Agreement or any other Loan Document.
12. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the preparation of this Agreement or any other Loan Document and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Collateral shall be borne and paid by the Company (it being the intent of the Company and Lender that the Company shall be responsible for the payment of all sums, fees, costs and expenses, including all renewal fees with respect to the Trademarks) or, if paid by Lender, shall be paid by the Company on demand to Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate prescribed in the Loan Agreement.
13. The Company shall use its reasonable efforts to detect any infringers of the Trademarks and shall notify Lender in writing of infringements detected. The Company shall have the duty, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make federal application on registrable but unregistered Trademarks as may be determined by the Company in the exercise of its commercially reasonable judgment, to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by the Company. The Company shall not abandon any pending trademark application or Trademark without the prior written consent of Lender, which consent shall not be unreasonably withheld.
14. If the Company fails to comply with any of its obligations hereunder, to the extent permitted by applicable law, Lender may do so in the Company's name or in Lender's name, but at the Company's expense, and the Company agrees to reimburse Lender in full for all expenses, including attorneys' fees and legal expenses, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.
15. No course of dealing between the Company and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. All of Lender's rights and remedies with respect to the Collateral, whether established by this Agreement, by the Loan Agreement, by any other Loan Document or by applicable law shall be cumulative and may be exercised singularly or concurrently. In the event of any conflict or inconsistency between the terms of this Agreement and the terms of any other Loan Document, the terms of the Agreement shall prevail and govern with respect to the Collateral.
17. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.
18. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 8 hereof.
19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of Lender and upon the successors of the Company. The Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Lender.
20. Notice of acceptance hereof is hereby waived by the Company.
21. This Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina.
22. **TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE COMPANY AND LENDER EACH WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE COLLATERAL.**
23. **UPON DEMAND OF ANY PART HERETO, WHETHER MADE BEFORE OR AFTER INSTITUTION OF ANY JUDICIAL PROCEEDING, ANY CLAIM OR CONTROVERSY ARISING OUT OF, OR RELATING TO THE LOAN DOCUMENTS BETWEEN THE PARTIES HERETO (A "DISPUTE") SHALL BE RESOLVED BY BINDING ARBITRATION CONDUCTED UNDER AND GOVERNED BY THE COMMERCIAL FINANCIAL DISPUTES ARBITRATION RULES (THE "ARBITRATION RULES") OF THE AMERICAN ARBITRATION ASSOCIATION (THE "AAA") AND THE FEDERAL ARBITRATION ACT. DISPUTES MAY INCLUDE, WITHOUT LIMITATION, TORT CLAIMS, COUNTERCLAIMS, DISPUTES AS TO WHETHER A MATTER IS SUBJECT TO ARBITRATION, CLAIMS BROUGHT AS CLASS ACTIONS, OR CLAIMS ARISING FROM DOCUMENTS EXECUTED IN THE FUTURE. A JUDGMENT**

UPON THE AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. NOTWITHSTANDING THE FOREGOING, THIS ARBITRATION PROVISION DOES NOT APPLY TO DISPUTES UNDER OR RELATED TO SWAP AGREEMENTS.

SPECIAL RULES. ALL ARBITRATION HEARINGS SHALL BE CONDUCTED IN THE CITY IN WHICH THE OFFICE OF BANK FIRST STATED ABOVE IS LOCATED. A HEARING SHALL BEGIN WITHIN 90 DAYS OF DEMAND FOR ARBITRATION AND ALL HEARINGS SHALL BE CONCLUDED WITHIN 120 DAYS OF DEMAND FOR ARBITRATION. THESE TIME LIMITATIONS MAY NOT BE EXTENDED UNLESS A PARTY SHOWS CAUSE FOR EXTENSION AND THEN FOR NO MORE THAN A TOTAL OF 60 DAYS. THE EXPEDITED PROCEDURES SET FORTH IN RULE 51, *ET SEQ.* OF THE ARBITRATION RULES SHALL BE APPLICABLE TO CLAIMS OF LESS THAN \$1,000,000. ARBITRATORS SHALL BE LICENSED ATTORNEYS SELECTED FROM THE COMMERCIAL FINANCIAL DISPUTE ARBITRATION PANEL OF THE AAA. THE PARTIES DO NOT WAIVE APPLICABLE FEDERAL OR STATE SUBSTANTIVE LAW EXCEPT AS PROVIDED HEREIN.

PRESERVATION AND LIMITATION OF REMEDIES. NOTWITHSTANDING THE PRECEDING BINDING ARBITRATION PROVISIONS, THE PARTIES AGREE TO PRESERVE, WITHOUT DIMINUTION, CERTAIN REMEDIES THAT ANY PARTY MAY EXERCISE BEFORE OR AFTER AN ARBITRATION PROCEEDING IS BROUGHT. THE PARTIES SHALL HAVE THE RIGHT TO PROCEED IN ANY COURT OF PROPER JURISDICTION OR BY SELF-HELP TO EXERCISE OR PROSECUTE THE FOLLOWING REMEDIES, AS APPLICABLE: (I) ALL RIGHTS TO FORECLOSE AGAINST ANY REAL OR PERSONAL PROPERTY OR OTHER SECURITY BY EXERCISING A POWER OF SALE OR UNDER APPLICABLE LAW BY JUDICIAL FORECLOSURE INCLUDING A PROCEEDING TO CONFIRM THE SALE; (II) ALL RIGHTS OF SELF-HELP INCLUDING PEACEFUL OCCUPATION OF REAL PROPERTY AND A COLLECTION OF RENTS, SET-OFF, AND PEACEFUL POSSESSION OF PERSONAL PROPERTY; (III) OBTAINING PROVISIONAL OR ANCILLARY REMEDIES INCLUDING INJUNCTIVE RELIEF, SEQUESTRATION, GARNISHMENT, ATTACHMENT, APPOINTMENT OR RECEIVER AND FILING AN INVOLUNTARY BANKRUPTCY PROCEEDING; AND (IV) WHEN APPLICABLE, A JUDGMENT BY CONFESSION OF JUDGMENT. ANY CLAIM OR CONTROVERSY WITH REGARD TO ANY PARTY'S ENTITLEMENT TO SUCH REMEDIES IS A DISPUTE.

EACH PARTY AGREES THAT IT SHALL NOT HAVE A REMEDY OF PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER IN ANY DISPUTE AND HEREBY WAIVE ANY RIGHT OR CLAIM TO PUNITIVE OR EXEMPLARY DAMAGES THEY HAVE NOW OR WHICH MAY ARISE IN THE FUTURE IN

CONNECTION WITH ANY DISPUTE, WHETHER THE DISPUTE IS RESOLVED BY ARBITRATION OR JUDICIALLY.

WAIVER OF JURY TRIAL. THE PARTIES ACKNOWLEDGE THAT BY AGREEING TO BINDING ARBITRATION THEY HAVE TO THE MAXIMUM EXTENT PERMITTED BY LAW IRREVOCABLY WAIVED ANY RIGHT THEY MAY HAVE TO A JURY TRIAL WITH REGARD TO A DISPUTE.

WITNESS the execution hereof under seal as of the day and year first above written.

NINE RIVERS TECHNOLOGY CORPORATION

By: Mark D. Puffer
Title: President

FIRST UNION NATIONAL BANK

By: Manf. B. Walthall
Title: Vice President

STATE OF NORTH CAROLINA

COUNTY OF WAKE

This 3rd day of September, 1999, personally came before me Verena Henry Notary Public of Wake County, State of North Carolina, Mark O. Clifford, who, being by me duly sworn, says that he/she is _____ President of Nine Rivers Technology Corporation, a North Carolina corporation, and that said writing was signed and sealed by him/her in behalf of said corporation by its authority duly given. And the _____ President acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and notarial seal, this the 3rd day of September, 1999.

Verena Henry
Notary Public
Print Name: VERENA HENRY

My commission expires: 8-24-02

(NOTARY SEAL)

STATE OF NORTH CAROLINA

COUNTY OF WAKE

This 3rd day of September, 1999, personally came before me, Susan M. Capps, Notary Public of Harnett County, State of North Carolina, Martin B. Walthall, who, being by me duly sworn, says that he is Vice President of First Union National Bank, a national banking association, and that said writing was signed by him in behalf of said national banking association by its authority duly given and the Vice President acknowledged the said writing to be the act and deed of said national banking association.

Witness my hand and notarial seal, this the 3rd day of September, 1999.

Susan M. Capps
Notary Public
Print Name: SUSAN M. CAPPS

My commission expires: 8-10-2003

(NOTARY SEAL)



SCHEDULE A**Registrations -
United States Patent and Trademark Office**

<u>Trademark or Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
"Nine Rivers Technology" (as service mark)	2172480	July 14, 1998
"CurrentStaff" (as trademark)	2226259	February 23, 1999
"CurrentSolutions" (as service mark)	2226258	February 23, 1999

**Pending Applications
United States Patent and Trademark Office**

<u>Trademark or Service Mark</u>	<u>Serial No.</u>	<u>Filing Date</u>
"Miscellaneous Design/NRT logo" (as service mark)	Serial No. 75/630899	January 29, 1999
"CurrentCare ER" (as trademark)	Serial No. 75/468963	April 16, 1999
"CurrentSolutions" (as trademark)	Serial No. 75/469295	April 16, 1999

SCHEDULE B

(Other Encumbrances)

Rights of the Subordinated Creditor to the extent that the same are permitted under the Subordination Agreement.

PPAB-RA1/150509.7