

03-17-2000

RE

MRS 3-17-00 IE



IT

TO: The Commissioner of Patents and

101292427

original document(s) or copy(ies).

Submission Type

Conveyance Type

New

Assignment

License

Resubmission (Non-Recordation)
Document ID# 101209374

Security Agreement

Nunc Pro Tunc Assignment

Correction of PTO Error
Reel # [] Frame # []

Merger

Effective Date
Month Day Year
11 1 99

Corrective Document
Reel # [] Frame # []

Change of Name

Other Trademark Collateral Assignment and Security Agreement

Conveying Party(ies)

Mark if additional names of conveying parties attached

Name MOLTECH POWER SYSTEMS, INC.

Execution Date
Month Day Year
11 1 99

Formerly []

Individual General Partnership Limited Partnership Corporation Association

Other []

Citizenship/State of Incorporation/Organization State of Florida

Receiving Party

Mark if additional names of conveying parties attached

Name Congress Financial Corporation (Florida)

DBA/AKA/TA []

Composed of []

Address (line 1) 777 Brickell Avenue

Address (line 2) []

Address (line 3) Miami Florida/USA 33131
City State/Country Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other []

Citizenship/State of Incorporation/Organization State of Florida

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment)

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB nation Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK

REEL: 002035 FRAME: 0001

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name Christopher J. Goodson, Esq.

Address (line 1) Otterbourg, Steindler, Houston & Rosen, P.C.

Address (line 2) 230 Park Avenue

Address (line 3) New York, New York 10169

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number 212-661-9100 x 709

Name Helen M. Linehan

Address (line 1) Otterbourg, Steindler, Houston & Rosen, P.C.

Address (line 2) 230 Park Avenue

Address (line 3) New York, New York 10169

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

18

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

75/591,087

1,227,352 1,648,041 1,154,626
1,199,371 1,595,078 1,154,625
1,779,567 1,749,952 1,369,932
1,725,177 1,928,950

Number of Properties

Enter the total number of properties involved.

12

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$ 315.00

Method of Payment:

Enclosed Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes No

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. Charges to deposit account are authorized, as indicated herein.

Helen M. LINEHAN
Name of Person Signing

Helen M. Linehan
Signature

3/16/2000
Date Signed

**EXHIBIT A
TO TRADEMARK
COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT
(MOLTECH POWER SYSTEMS, INC.)**

Intellectual Property Rights (To Be Conveyed by Quitclaim)

TRADEMARKS

MARK	RECORD OWNER	CLASS	APPLICATION NUMBERS	REGISTRATION NUMBERS	STATUS
DATASENTRY					
Austria	GATES	9		93375	Registered
Denmark	GATES	9	2064/79	2891980	Registered
Ireland	GATES	9	94263	94263	Registered
Israel	EBC	9		48004	Registered
Italy	GATES	9	19743C/79	367549	Registered
Japan	EBC	11	420474	2671059	Registered
Korea (South)	GATES	39		68240	Registered
Sweden	EBC	9	792700	169396	Registered
Taiwan	EBC	99	6808982	121913	Expires 9-30-99
U.K.	EBC	9	1115235	1115235	Registered
U.S.	EBC	9	215143	1227352	Registered
GOLD TOP					
Benelux	GATES	9		366904	Registered
Canada	EBC	<i>Canada has no class system</i>	370689	223974	Registered
Denmark	GATES	9	3153/80	3251981	Registered
France	GATES	9	219395	1598512	Registered
Norway	GATES	9		110876	Registered
Sweden	EBC	9	80-3621	178631	Registered
U.K.	EBC	9	1137118	B1137118	Registered
U.S.	EBC	9	247081	1199371	Registered
HYDRITECH					
Australia	EBC	9	581905	581905	Registered
Austria	GATES	9		145515	Registered
Benelux	GATES	9		517831	Registered
<i>Denmark</i>	<i>EBC</i>				<i>Not Filed</i>
Finland	GATES	9	3352/92	127855	Registered
France	GATES	9	92/426214	92/426214	Registered
Germany	EBC	9	G41292/9WZ	2039219	Registered
Hong Kong	EBC	9	92139599	3489	Expired
Italy	GATES	9	TO92C00143	635417	Registered
Japan	GATES	9	137739	3043620	Registered
Korea (South)	GATES	39	9218630	282752	Registered
Mexico	EBC	9	144919	425066	Registered
Singapore	EBC	9	S/5145/92	S/5145/92	Registered
Sweden	EBC	9	92-06302	245215	Registered
Switzerland	EBC	9	5161/92	399245	Registered
Taiwan	EBC	87	8139015	595501	Registered
Taiwan	EBC	91	81-33870	599252	Registered
U.K.	EBC	9	1506233	1506233	Expired
U.S.	EBC	9	74/238149	1779567	Expired

MILLENNIUM

Argentina	EBC	9	1676899	1362459	Registered
Australia	EBC	9	528750	A528750	Registered
Austria	GATES	9	669/90	131071	Registered
Bahrain	GATES	9	15336	15336	Registered
Benelux	GATES	9		477282	Registered
Brazil	EBC	9	815420420	815420420	Registered
Canada	EBC		650942	382730	Registered
China	EBC	9	92061060	666675	Registered
Colombia	GATES	9	367116	144689	Registered
Costa Rica	GATES	9		84537	Registered
Czech Republic	GATES	9	7024997	175220	Registered
Denmark	EBC	9		21531991	Registered
Ecuador	GATES	9	33230	2202-93	Registered
Egypt	GATES	9	83838	83838	Registered
Finland	GATES	9	114390	115465	Registered
France	GATES	9	187580	1575235	Registered
Germany	EBC	9		1165451	Registered
Greece	EBC	9	97906	97906	Registered
Guatemala	GATES	9	8139/92	72895	Registered
Hong Kong	EBC	9	1548/90	3748/93	Registered
Hong Kong	GATES	9 (Chinese)	2434/93		Withdrawn
Hong Kong	GATES	9 (Chinese)	8232/1996		Pending
Hungary	GATES	9	M9203911	137038	Registered
Israel	EBC	9		75323	Registered
India	EBC	9	595818		Pending
Ireland	EBC	9	138900	138900	Registered
Italy	GATES	9	48245C/90	586303	Registered
Korea (South)	GATES	39	903799	217907	Registered
Kuwait	EBC	9	26385	24613	Registered
Malaysia	EBC	9	92/04395	92/04395	Registered
Mexico	EBC	9	388168	388168	Registered
New Zealand	GATES	9	199849	199849	Registered
Norway	GATES	9	900627	145711	Registered
Saudi Arabia	GATES	9	18207	27723	Registered
Slovak Republic	EBC	9	70249-92	178487	Registered
South Africa	EBC	9	900906	90/0906	Registered
Spain	EBC	9		1550897	Registered
Sweden	EBC	9	90-01527	229876	Registered
Switzerland	EBC	9		380077	Registered
Taiwan	EBC	91	794931	501207	Registered
U.K.	EBC	9	1413572	1413572	Registered
U.S.	EBC	9	74/082235	1648041	Expires 6-18-01
U.S.	GATES	(Stylized) 9	74/277082	17449952	Expires 2-2-03
U.S.	EBC	9	73/823526	1595078	Registered
Venezuela	EBC	9	14888-92		Pending
Venezuela	EBC	9	14889		Pending

PLUG DESIGN

U.S.	EBC	9	110127	1154626	Registered
U.S.	EBC	9	110126	1154625	Expired

POWER STICK

U.K.	EBC	9	1280863	537175	Registered
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U.S.	EBC	9	B1280863	1369932	Registered
POWER TO LAST A LIFETIME, THE					
U.S.	EBC	9	75/591087		Pending
VALUMAX					
U.S.	EBC	9	74/417033	1928950	Registered

COPYRIGHTS

COUNTRY	PARTIES	MARKS
U.S. – Copyright Form TX Registration dated 2/27/98	Eveready Battery Company, Inc.	N12020 CVP SMART BATTERY SOURCE CODE REV. DA.

MISCELLANEOUS

U.S. – Potential Cancellation	EBC v. Pure Energy Battery Corp.	RAPIDCHARGER*
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Other intellectual property rights, if any, namely, all trademarks, trade secrets, trade dress, unregistered copyrights, unregistered common law trademarks and the rights to apply for any of the foregoing, that are exclusively used in, or exclusively related to, or exclusively arise out of the business, but do not include "Technology" or any other "Excluded Assets."

*This mark has been used by EPS but no trademark application has been filed. Pure Energy Battery Corp. has sought registration for this mark in the U.S. A challenge to such registration is under consideration.

11-30-1999



101209374

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)
Document ID #

Correction of PTO Error
Reel # Frame #

Corrective Document
Reel # Frame #

Conveyance Type

Assignment License

Security Agreement Nunc Pro Tunc Assignment

Merger

Change of Name

Other

Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

11/29/1999 INHUYEN 00000307 75591087

FOR OFFICE USE ONLY

01	FC:481	40.00	OP
02	FC:482	275.00	OP

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

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Helen M. WINEHAN
Name of Person Signing

Helen M. Winehan
Signature

11/12/99
Date Signed

TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS AGREEMENT ("Agreement"), dated November 1, 1999, is by and between MOLTECH POWER SYSTEMS, INC., a Florida corporation ("Debtor"), with its chief executive office at U.S. Highway 441 North, Alachua, Florida 32615 and CONGRESS FINANCIAL CORPORATION (FLORIDA), a Florida corporation ("Secured Party"), having an office at 777 Brickell Avenue, Miami, Florida 33131.

WITNESSETH:

WHEREAS, Debtor has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Exhibit A hereto and made a part hereof; and

WHEREAS, Secured Party and Debtor have entered or are about to enter into financing arrangements pursuant to which Secured Party may make loans and advances and provide other financial accommodations to Debtor as set forth in the Loan and Security Agreement, dated of even date herewith, by and between Secured Party and Debtor (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, including, but not limited to, this Agreement (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements"); and

WHEREAS, in order to induce Secured Party to enter into the Loan Agreement and the other Financing Agreements and to make loans and advances and provide other financial accommodations to Debtor pursuant thereto, Debtor has agreed to grant to Secured Party certain collateral security as set forth herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor hereby agrees as follows:

1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Debtor hereby grants to Secured Party a continuing security interest in and a general lien upon, and a conditional assignment of, the following (being collectively referred to herein as the "Collateral"): (a) all of Debtor's now

existing or hereafter acquired right, title, and interest in and to: (i) all of Debtor's trademarks, tradenames, trade styles and service marks and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other country, including, without limitation, the trademarks, terms, designs and applications described in Exhibit A hereto, together with all rights and privileges arising under applicable law with respect to Debtor's use of any trademarks, tradenames, trade styles and service marks, and all reissues, extensions, continuation and renewals thereof (all of the foregoing being collectively referred to herein as the "Trademarks"); and (ii) all prints and labels on which such trademarks, tradenames, tradestyles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; (c) all income, fees, royalties and other payments at any time due or payable with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (d) the right to sue for past, present and future infringements thereof; (e) all rights corresponding thereto throughout the world; and (f) any and all other proceeds of any of the foregoing, including, without limitation, damages and payments or claims by Debtor against third parties for past or future infringement of the Trademarks. The foregoing is a conditional assignment as collateral and shall not be construed as an absolute assignment.

2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to Secured Party pursuant to this Agreement shall secure the prompt performance, observance and payment in full of any and all obligations, liabilities and indebtedness of every kind, nature and description owing by Debtor to Secured Party and/or its affiliates, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether arising under this Agreement, the Loan Agreement, the other Financing Agreements or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Debtor under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, and however acquired by Secured Party (all of the foregoing being collectively referred to herein as the "Obligations").

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtor hereby represents, warrants and covenants with and to Secured Party the following (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

(a) Debtor shall pay and perform all of the Obligations according to their terms.

(b) Except as set forth on Exhibit A hereto, all of the existing Collateral is valid and subsisting in full force and effect, and Debtor owns the sole, full and clear title thereto, and the right and power to grant the security interest and conditional assignment granted hereunder. Debtor shall, at Debtor's expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral consisting of registered Trademarks as registered trademarks and to maintain the existence of all of the Collateral as valid and subsisting, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests or encumbrances of any nature whatsoever, except: (i) the security interests granted hereunder and pursuant to the Loan Agreement, (ii) the security interests permitted under the Loan Agreement, and (iii) the licenses permitted under Section 3(e) below.

(c) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of Secured Party, except as otherwise permitted herein or in the Loan Agreement. Nothing in this Agreement shall be deemed a consent by Secured Party to any such action, except as such action is expressly permitted hereunder. Debtor may grant a non-exclusive license relating to the Collateral provided that such license is expressly subject and subordinate to the rights of Secured Party hereunder and in the Collateral.

(d) Debtor shall, at Debtor's expense, promptly perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record or enforce the security interest in and conditional assignment of the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral, signed only by Secured Party or as otherwise determined by Secured Party. Debtor further authorizes Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or any other appropriate federal, state or government office.

(e) As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, other than those described in Exhibit A hereto and has not granted any licenses with respect thereto other than as set forth in Exhibit B hereto.

(f) Debtor shall, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Special Power of Attorney in the form of Exhibit C annexed hereto for the implementation, upon the occurrence and during the continuance of an Event of Default, of the assignment, sale or other disposition of the Collateral

pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder.

(g) Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party to preserve, defend, protect, maintain, record or enforce the Obligations, the Collateral, or the security interest and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, attorneys' fees and legal expenses. Debtor shall be liable to Secured Party for any such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be payable on demand together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

(h) Debtor shall not file any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States, unless Debtor has given Secured Party two (2) business days prior written notice of such action. If, after the date hereof, Debtor shall (i) obtain any registered trademark or tradename, or apply for any such registration in the United States Patent and Trademark Office or in any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, or (ii) become the owner of any trademark registrations or applications for trademark registration used in the United States or any State thereof, political subdivision thereof or in any other country, the provisions of Section 1 hereof shall automatically apply thereto. Upon the request of Secured Party, Debtor shall promptly execute and deliver to Secured Party any and all assignments, agreements, instruments, documents and such other papers as may be requested by Secured Party to evidence the security interest in and conditional assignment of such Trademark in favor of Secured Party.

(i) As of the date hereof, Debtor has not abandoned any of the Trademarks and Debtor will not hereafter do any act, nor omit to do any act, whereby any of the Trademarks may become abandoned, invalidated, unenforceable, avoided, or avoidable, unless (i) Secured Party shall have received not less than five (5) business days prior written notice of the intention of Debtor to abandon or fail to maintain such Trademarks, (ii) such Trademarks are no longer used or useful in the business of Debtor or any affiliate of Debtor, and shall not be affixed to or used in connection with the manufacture, sale, distribution or use of any of the Collateral (as defined herein and in the Loan Agreement), (iii) such Trademarks shall not have been used by Debtor or any of its affiliates for a period of three (3) months or more from the date of such written notice to Secured Party and (iv) such Trademarks shall not otherwise be material to the business of Debtor or any of its affiliates in any respect and shall have little or no value. Debtor shall notify Secured Party immediately if it knows or has reason to know of any reason why any application, registration, or recording with respect to the Trademarks may become abandoned, canceled, invalidated, avoided, or avoidable.

(j) Debtor shall render any assistance, as Secured Party shall determine in good faith is necessary, to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State

thereof, any political subdivision thereof or in any other country, to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(k) No material infringement or unauthorized use presently is being made of any of the Trademarks that would adversely affect in any material respect the fair market value of the Collateral or the benefits of this Agreement granted to Secured Party, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Secured Party hereunder. Debtor shall promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design which infringes on any Trademark or is likely to cause confusion with any Trademark. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party may, in good faith, deem advisable for the protection of Secured Party's interest in and to the Trademarks.

(l) Debtor assumes all responsibility and liability arising from the use of the Trademarks and Debtor hereby indemnifies and holds Secured Party harmless from and against any claim, suit, loss, damage, or expense (including attorneys' fees and legal expenses) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof). The foregoing indemnity shall survive the payment of the Obligations, the termination of this Agreement and the termination or non-renewal of the Loan Agreement.

(m) Debtor shall promptly pay Secured Party for any and all expenditures made by Secured Party pursuant to the provisions of this Agreement or for the defense, protection or enforcement of the Obligations, the Collateral, or the security interests and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the rate then applicable to the Obligations set forth in the Loan Agreements and shall be part of the Obligations secured hereby.

4. EVENTS OF DEFAULT

All Obligations shall become immediately due and payable, without notice or demand, at the option of Secured Party, upon the occurrence of any Event of Default, as such term is defined in the Loan Agreement (each an "Event of Default" hereunder).

5. RIGHTS AND REMEDIES

At any time an Event of Default exists or has occurred and is continuing, in addition to all other rights and remedies of Secured Party, whether provided under this Agreement, the Loan Agreement, the other Financing Agreements, applicable law or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder:

(a) Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, completion of work-in-process or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary or affiliate of Debtor or for such other reason as Secured Party may determine.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of ten (10) days prior written notice to Debtor of any proposed disposition shall be deemed reasonable notice thereof and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition. In any such event, Debtor shall be liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to the terms hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Section 3(f) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party on demand all reasonable costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and attorneys' fees and legal expenses. Debtor agrees that Secured Party has no obligation to preserve rights to the Trademarks against any other parties.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale or other disposition of any of the Collateral to the costs and expenses thereof, including, without limitation, attorneys' fees and all legal, travel and other expenses which may

be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its discretion determine. Debtor shall remain liable to Secured Party for any of the Obligations remaining unpaid after the application of such proceeds, and Debtor shall pay Secured Party on demand any such unpaid amount, together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement.

(f) Debtor shall supply to Secured Party or to Secured Party's designee, Debtor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to the Trademarks and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under this Agreement, the other Financing Agreements, applicable law, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. JURY TRIAL WAIVER; OTHER WAIVERS AND CONSENTS; GOVERNING LAW

(a) The validity, interpretation and enforcement of this Agreement and the other Financing Agreements and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of Florida (without giving effect to principles of conflicts of law).

(b) Debtor and Secured Party irrevocably consent and submit to the non-exclusive jurisdiction of the Circuit Court of Dade County, Florida and the United States District Court for the Southern District of Florida and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or any of the other Financing Agreements or in any way connected or related or incidental to the dealings of Debtor and Secured Party in respect of this Agreement or the other Financing Agreements or the transactions related hereto or thereto, in each case whether now existing or thereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Secured Party shall have the right to bring any action or proceeding against Debtor or its property in the courts of any other jurisdiction which Secured Party in good faith deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Debtor or its property).

(c) Debtor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by certified mail (return receipt requested) directed to its addresses set forth herein and service so made shall be deemed to be completed five (5) days after the same shall have been so deposited in the U.S. mails, or, at Secured Party's option, by service upon Debtor in any other manner provided under the rules of any such courts. Within thirty (30) days after such service, Debtor shall appear in answer to such process, failing which

Debtor shall be deemed in default and judgment may be entered by Secured Party against Debtor for the amount of the claim and other relief requested.

(d) DEBTOR AND SECURED PARTY EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF DEBTOR AND SECURED PARTY IN RESPECT OF THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. DEBTOR AND SECURED PARTY EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT DEBTOR OR SECURED PARTY MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF DEBTOR AND SECURED PARTY TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(e) Secured Party shall not have any liability to Debtor (whether in tort, contract, equity or otherwise) for losses suffered by Debtor in connection with, arising out of, or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-appealable judgment or court order binding on Secured Party that the losses were the result of acts or omissions constituting gross negligence or willful misconduct. In any such litigation, Secured Party shall be entitled to the benefit of the rebuttable presumption that it acted in good faith and with the exercise of ordinary care in the performance by it of the terms of this Agreement and the other Financing Agreements.

7. MISCELLANEOUS

(a) All notices, requests and demands hereunder shall be in writing and deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next business day, one (1) business day after sending; and if by certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands upon the parties are to be given to the following addresses (or to such other address as any party may designate by notice in accordance with this Section):

If to Debtor:	Moltech Power Systems, Inc. U.S. Highway 441 North Gainesville, Florida 32615 Attention: President
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Telecopier No.: (904) 462-4402

With copies to: Moltech Power Systems, Inc.
P.O. Box 147114
Gainesville, Florida 32602
Attention: President
Telecopier No.: (904) 462-4402

Moltech Corporation
9062 South Rita Road
Tucson, Arizona 85747-9108
Attention: Mr. Deward F. Manzer, President
Telecopier No.: (520) 799-7501

and

Lewis and Roca LLP
One South Church Avenue, Suite 700
Tucson, Arizona 85701-1611
Attention: Gabriel Beckmann, Esq.
Telecopier No.: (520) 622-3088

If to Secured Party: Congress Financial Corporation (Florida)
777 Brickell Avenue
Miami, Florida 33131
Attention: Mr. Steven I. Harnick
Telecopier No.: (305) 371-9456

(b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to Debtor and Secured Party pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns. The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with Section 7(e) hereof. All references to the term "Person" or "person" herein shall mean any individual, sole proprietorship, partnership, corporation (including, without limitation, any corporation which elects subchapter S status under the Internal Revenue Code of 1986, as amended), limited liability company, limited liability partnership, business trust, unincorporated association, joint stock company, trust, joint venture or other entity or any government or any agency or instrumentality or political subdivision thereof.

(c) This Agreement, the other Financing Agreements and any other document referred to herein or therein shall be binding upon Debtor and its successors and assigns and inure to the benefit of and be enforceable by Secured Party and its successors and assigns.

(d) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(e) Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Secured Party. Secured Party shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of Secured Party. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Secured Party of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Secured Party would otherwise have on any future occasion, whether similar in kind or otherwise.

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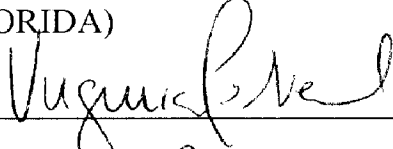
IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

MOLTECH POWER SYSTEMS, INC.

By: 

Title: TREASURER

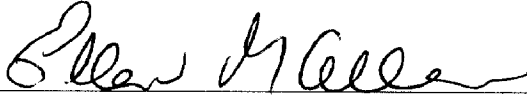
CONGRESS FINANCIAL CORPORATION
(FLORIDA)

By: 

Title: V.P.

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 1 day of November __, 1999, before me personally came
TOM V. GREGA, to me known, who being duly sworn, did depose and say, that he is the
TREASURER of MOLTECH POWER SYSTEMS, INC., the corporation described in and which
executed the foregoing instrument; and that he signed his name thereto by order of the Board of
Directors of said corporation.



Notary Public

Notary Public, State of New York
No. 01AL5057123
Qualified in Suffolk County 2000
Commission Expires March 18, 2000

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 6 day of November __, 1999, before me personally came
VERGIL BILVERANTE, to me known, who, being duly sworn, did depose and say, that he is the
V. PRES. of CONGRESS FINANCIAL CORPORATION (FLORIDA), the corporation
described in and which executed the foregoing instrument; and that he signed his name thereto
by order of the Board of Directors of said corporation.



Notary Public

Notary Public, State of New York
No. 01AL5057123
Qualified in Suffolk County 2000
Commission Expires March 18, 2000

**EXHIBIT B
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT
(MOLTECH POWER SYSTEMS, INC.)**

LIST OF LICENSES

None

EXHIBIT C
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that MOLTECH POWER SYSTEMS, INC. ("Debtor"), having an office at U.S. Highway 441 North, Alachua, Florida 32615 hereby appoints and constitutes, severally, CONGRESS FINANCIAL CORPORATION (FLORIDA) ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: November __, 1999

MOLTECH POWER SYSTEMS, INC.

By: _____

Title: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ____ day of November __, 1999, before me personally came _____, to me known, who being duly sworn, did depose and say, that he is the _____ of MOLTECH POWER SYSTEMS, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public