

05-15-2000



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4/26/00

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 Association
- Corporation
- 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.)

FOR OFFICE USE ONLY

05/11/2000 13:03:42Z 00600.00 1440.000

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02 07:40:00 20.00 00

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 Information 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

REEL: 002070 FRAME: 0873

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

404-885-3414

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)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1446823"/>	<input type="text" value="2284898"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1494564"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2268709"/>	<input type="text"/>	<input type="text"/>

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.

Peter J. Pawlak, Jr.



4/26/00

Name of Person Signing

Signature

Date Signed

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, in the United States of America (the "U.S.") or in any of the respective states thereof;

(b) The Trademarks listed on Schedule A constitute all of the trademark applications and registrations owned by each of the Borrowers;

(c) Each of the Trademarks is valid and enforceable in the U.S. and the respective states thereof and all claims by others to rights in the Trademarks of which the Borrowers are aware, including, without limitation, licenses, are noted on Schedule B attached hereto and by reference made a part hereof;

(d) Except as noted on Schedule B, each of the Borrowers is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to its Trademarks, free and clear of any liens, charges, encumbrances, mortgages, hypothecations, pledges, liens, security interests or claims of any kind, including, without limitation, covenants by the Borrowers not to sue third persons and licenses, other than Permitted Liens;

(e) The Borrowers have made all necessary applications, filings and recordations to protect and maintain their respective interest in the Trademarks listed on Schedule A, including, without limitation, all necessary filings and recordations in the U.S. Patent and Trademark Office; and

(f) The Borrowers have the unqualified right, power and authority to execute, deliver and perform this Agreement.

3. Conditional Grant of Security Interest in Additional Trademarks.

If, before the Obligations shall have been satisfied in full and the Commitments shall have been terminated, either of the Borrowers shall have or obtain ownership of any trademark, including any registration or application therefor, with respect to goods sold (the "Goods") and services rendered (the "Services") in such Borrower's business, the provisions of Paragraph 1 shall automatically apply thereto, and also to any composite marks or other marks of either of the Borrowers which are confusingly similar to such mark, and Borrowers shall give to the Agent prompt written notice thereof. This Paragraph 3 shall not apply to trademarks which are owned by others and licensed to either of the Borrowers. The Borrowers shall perform all acts and execute all documents reasonably requested (including any amendments hereto) by the Agent at any time and from time to time to evidence, perfect, maintain, record and enforce the Agent's security interest in the Trademarks, including, without limitation, any trademarks falling under this Paragraph 3.

4. Modification of Agreement.

The Borrowers authorize the Agent to modify this Agreement by amending **Schedule A** to include any additional trademarks, registrations and applications for registration thereof which are Trademarks under Paragraph 1 or Paragraph 3 hereof, and to have this Agreement, as amended, or any other document evidencing the security interest granted therein, recorded in the U.S. Patent and Trademark Office at the expense of the Borrowers. The representations and warranties of the Borrowers shall be deemed to be remade and restated by the Borrowers as of the date of the amendment of **Schedule A** with respect to all Trademarks listed on the amended **Schedule A** at that time.

5. Covenants of Borrowers.

(a) The Borrowers covenant as follows: (i) they will maintain the high standard of quality which has become associated with the Trademarks; (ii) the Agent from time to time and upon request shall have the right to inspect samples of the Goods, the procedures and facilities used to provide Services, the premises at which the Goods are produced and at which the Services are performed and records relating to the Trademarks at the premises where such records are kept; and (iii) the Agent shall have the right to prevent use of the Trademarks on Goods and Services which are not of high quality, all so as to preserve the goodwill symbolized by the Trademarks.

(b) The Borrowers further agree that: (i) they will use and not abandon or do any act or omit to do any act that may cause or contribute to the abandonment of any Trademark, or permit the expiration of any registration of any Trademark listed on **Schedule A**; (ii) they shall give the Agent written notice, and a complete copy, of any sublicense of any Trademark; and (iii) all uses of the Trademarks by them or their permitted sublicensees will include such notices of registration as are required or authorized from time to time under applicable law.

(c) With respect to each Trademark listed on **Schedule A**, the Borrowers agree to take all necessary steps, including, without limitation, making such filings in or with the U.S. Patent and Trademark Office or in any court, to (i) maintain each such Trademark, and (ii) pursue each such application for trademark registration, now or hereafter included in the Trademarks under this Agreement, including, without limitation, the filing of responses to office actions issued by the U.S. Patent and Trademark Office, the filing of applications for renewal, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, the participation in opposition, cancellation and infringement and misappropriation proceedings and the payment of fees and taxes incurred in connection therewith. Notwithstanding the foregoing, if the Borrowers determine that any such Trademark is not material to the Borrowers' business, the Borrowers may, with the prior written consent of the Agent, elect not to pursue any such infringement action. The Borrowers agree to take corresponding steps with respect to each new or acquired trademark, trademark registration, or application therefor covered by Paragraph 3 hereof. Any expenses incurred in connection with such activities shall be borne by the

Borrowers, and the Borrowers agree to promptly provide the Agent with written notice of any such actions or proceedings.

(d) The Borrowers shall perform all acts and execute all documents reasonably requested by the Agent at any time and from time to time to evidence, perfect, maintain, record and enforce the Agent's security interest in the Trademarks, including, without limitation, any trademarks falling under Paragraph 3.

(e) Until all of the Obligations shall have been satisfied in full and the Commitments shall have been terminated, the Borrowers will not enter into any agreement which is inconsistent with the Borrowers' obligations under this Agreement without the Agent's prior written consent.

6. Remedies Upon Default; Power of Attorney.

(a) In addition to the grant of the security interest contained in Paragraphs 1 and 3 hereof, if any Event of Default under the Loan Agreement shall have occurred, or if the Borrowers fail to perform any agreement or to meet any of their obligations hereunder, upon the election of the Agent, all right, title and interest in and to the Trademarks shall be automatically granted, assigned, conveyed and delivered to the Agent or its designee. The Borrowers hereby irrevocably constitute and appoint the Agent and any officer, agent or employee thereof, with full power of substitution, as their true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Borrowers and in the name of the Borrowers or the Agent's own name or the name of the Agent's designee, all acts of said attorney being hereby ratified and confirmed, upon the occurrence of an Event of Default: (i) to complete, date, execute and file, or cause to be filed, the Assignment attached hereto as Exhibit A and incorporated hereby by reference (the "Assignment") in the U.S. Patent and Trademark Office and in all other applicable offices, and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purpose of the Assignment, including, without limitation, the right (but not the obligation) to prosecute applications in the name of the Borrowers or the Agent, and to take any other actions deemed necessary by the Agent to maintain such registrations in effect; (ii) to collect proceeds from the Trademarks (including, by way of example, license royalties and proceeds of infringement suits); (iii) to convey in any transaction authorized by the Loan Agreement, any Goods covered by the registrations applicable to the Trademarks to any purchaser thereof; and (iv) to make payment or to discharge taxes or liens levied or placed upon or threatened against any goods covered by the Trademarks, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Agent in its sole discretion, and such payments made by the Agent to become the obligations of the Borrowers to the Agent, due and payable immediately without demand. Such power, being coupled with an interest, is irrevocable.

(b) The Agent shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be

enforceable, and, without limiting the generality of the foregoing, the Agent may, if any Event of Default under the Loan Agreement shall have occurred, immediately, without demand or performance and without other notice (except as set forth below) or demand whatsoever to the Borrowers, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, the Trademarks, together with the goodwill of the business symbolized by the Trademarks, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds in accordance with the terms of the Loan Agreement. Notice of any sale or other disposition of the Trademarks shall be given to the Borrowers at least five (5) business days before the time of any intended public or private sale or other disposition of the Trademarks is to be made, which the Borrowers hereby agree shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, the Agent or any Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of the Borrowers, which right is hereby waived and released. The Borrowers hereby agree to execute any documents reasonably requested by the Agent in connection with any disposition hereunder.

(c) Upon the occurrence of the conditional assignment provided for herein, the Borrowers shall have no right, title, or interest in or to any of the Trademarks and the Borrowers shall cease and desist in the use of the Trademarks and of any colorable imitation thereof, and shall, upon written demand of the Agent, or pursuant to the terms of the Loan Agreement, deliver to the Agent all Goods bearing the Trademarks.

7. Termination of Agreement.

At such time as the Borrowers shall completely satisfy all of the Obligations and the Commitments shall have been terminated, the Agent shall execute and deliver to the Borrowers all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Borrowers title to the Trademarks and the goodwill of the business symbolized by the Trademarks, subject to any disposition thereof which may have been made by the Agent pursuant hereto.

8. Limitation of Liability and Indemnification.

The Borrowers hereby release the Agent and the Lenders from, and agree to hold the Agent and the Lenders free and harmless from and against, any claims arising out of any action taken or omitted to be taken with respect to the Trademarks (except to the extent of the Agent's or the Lenders' gross negligence or willful misconduct), and the Borrowers agree to indemnify the Agent and the Lenders from and against any and all claims, demands, suits, losses, damages or other expenses (including reasonable attorneys' fees) arising from or in any way related to the Trademarks and any trademark infringement claim.

9. Waiver and Amendment.

(a) No course of dealing between the Borrowers and the Agent or the Lenders, nor any failure to exercise, nor any delay in exercising, on the part of the Agent or the Lenders, any right, power or privilege hereunder or thereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) This Agreement is subject to modification only by a writing signed by the parties hereto.

10. Cumulative Rights.

All of the Agent's and the Lenders' rights and remedies with respect to the Trademarks, whether established hereby or under the Loan Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

11. Severability.

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.

12. Survival.

The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

13. Counterparts.

This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

14. Choice of Law.


The validity, construction and enforcement of this Agreement, and the determination of the rights and duties of the parties hereto shall be governed by the laws of the State of New York regardless of any choice of law or other provision that would result in the application of the laws of any other jurisdiction.

(Signatures On Next Page)

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

BORROWERS:

PRINEXUS, INC.

By: 
Name: _____
Title: _____

HALO ISDG, INC.

By: Phillip M Kan
Name: _____
Title: _____

AGENT:

**DEUTSCHE FINANCIAL SERVICES
CORPORATION, AS AGENT**

By: _____
Name: _____
Title: _____

APR 5 2000 9:36AM

DEUTSCHE FINANCIAL

NO. 8840 P. 4
T-008 P.04/06 F-262

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

BORROWERS:

PRINEXUS, INC.

By: _____
Name: _____
Title: _____

HALO ISDG, INC.

By: _____
Name: _____
Title: _____

AGENT:

DEUTSCHE FINANCIAL SERVICES CORPORATION, AS AGENT

By: *[Signature]*
Name: ANDREW HETTNER
Title: SVP

SCHEDULE A

LISTING OF TRADEMARK REGISTRATIONS AND APPLICATIONS

SUMMARY OF FEDERAL TRADEMARKS

Registration No.	Trademark Name	Country	Date of Registration
1,446,823	AMSCOT	U.S. Cl. 101, 105/Int. Cl. 39, 42	July 7, 1987
1,494,564	Design Only	U.S. Cl. 101, 105/Int. Cl. 39, 42	June 28, 1988
2,268,709	FINLAY	U.S. Cl. 100, 101, 102/Int. Cl. 35	August 10, 1999
2,284,898	FINLAY	U.S. Cl. 100, 101/Int. Cl. 42	October 12, 1999

SCHEDULE B

LIENS AND CLAIMS OF THIRD PARTIES

None.

EXHIBIT A

ASSIGNMENT OF TRADEMARKS AND GOODWILL

THIS ASSIGNMENT dated the ____ day of _____, 2000, from _____, a _____ corporation (the "Assignor"), to **Deutsche Financial Services Corporation**, as agent for the Lenders (in such capacity, the "Assignee"), recites and provides:

WHEREAS, the Assignor is the owner of certain trademarks and service marks and the registrations and applications to register therefor listed in Schedule A hereto (the "Trademarks"); and

WHEREAS, the Assignee desires to obtain for the benefit of the Lenders party to the April 5, 2000, Loan and Security Agreement among the Assignor, certain other related entities named therein, the lenders from time to time party thereto (the "Lenders"), and the Assignee, as agent for the Lenders, all of the Assignor's right, title and interest in all such Trademarks.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Assignor hereby grants, assigns and conveys to the Assignee, its successors and assigns, the entire right, title and interest of the Assignor in and to the Trademarks, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements, together with the goodwill of the business symbolized by the Trademarks. The Assignor acknowledges that it has granted the Assignee the right to secure the assets of the Assignor associated with the business symbolized by the Trademarks under separate agreement.

The Assignor further agrees to execute such further instruments and documents and perform such further acts as the Assignee may deem necessary to secure to the Assignee the rights herein conveyed.

The Assignor warrants and represents that it is the sole owner of the interest conveyed hereunder and that such interest is not the subject of any prior transfer, assignment, lien, mortgage or other transaction which would affect the Assignor's ability to transfer such interest.

The Assignor further agrees to indemnify the Assignee and the Lenders for any breach of the above warranty.

IN WITNESS WHEREOF, the Assignor has executed this Assignment as of the day and year first above written.

By: _____
Name: _____
Title: _____

CONDITIONAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT

THIS CONDITIONAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT (the "Agreement") is made as of April 5, 2000, by the Borrowers referred to below in favor of the Agent, for the benefit of the Lenders (as such terms are defined below).

WHEREAS, priNexus, Inc., a Delaware corporation ("priNexus"), Halo ISDG, Inc., a Delaware corporation ("Halo"; Halo and priNexus are collectively referred to as the "Borrowers"), DGI Holdings, LLC, a Delaware limited liability company, certain financial institutions party thereto (collectively, the "Lenders"), and Deutsche Financial Services Corporation, as agent for the Lenders (in such capacity, the "Agent"), have entered into a Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"; capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement), pursuant to which the Lenders have agreed to make certain loans and other financial accommodations available to the Borrowers (the "Loans"); and

WHEREAS, in order to induce the Agent and the Lenders to enter into the Loan Agreement and to make the Loans, the Borrowers have agreed to assign to the Agent, for the ratable benefit of the Lenders, certain trademark rights as described herein.

NOW, THEREFORE, in consideration of the premises, the Borrowers hereby agree with the Agent as follows:

1. Grant of Security Interest.

To secure the complete and timely payment and performance of all Obligations, the Borrowers hereby grant, assign and convey to the Agent, for the benefit of the Lenders, a security interest in the Borrowers' entire world-wide right, title and interest in and to the trademarks and their respective registrations and applications for registration listed in Schedule A attached hereto and by reference made a part hereof, together with the goodwill of the business symbolized by the trademarks, all licenses relating thereto, and all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements (all of which trademarks, trademark registrations, applications for registration, goodwill, licenses, proceeds, and other rights are collectively called the "Trademarks").

2. Representations and Warranties.

The Borrowers represent and warrant that with respect to each of the Trademarks: