

07-14-2000

FORM PTO-1594

(Rev. 6-93)

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

RECORD

TRA



U.S. Department of Commerce  
Patent and Trademark Office

101404709

To the Honorable Commissioner of Patents and Trademarks

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

Intelligroup, Inc.  
499 Thornall Street  
Edison, NJ 08837

Individual(s)                       Association  
 General Partnership             Limited Partnership  
 Corporation-State New Jersey  
 Other \_\_\_\_\_

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

2. Name and address of receiving party(ies)

Name: PNC Bank, N.A.

Internal Address: \_\_\_\_\_

Street Address: Two Tower Center Boulevard

City: East Brunswick State: NJ ZIP: 08816

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 Other \_\_\_\_\_

3. Nature of conveyance:

Assignment                       Merger  
 Security Agreement             Change of Name  
 Other \_\_\_\_\_

Execution Date: May 25, 2000

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 patent number(s):

A. Trademark Application No.(s)  
See attached Pledge and Security Agreement

B. Trademark Registration No.(s)

Additional numbers attached:  Yes  No

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

Name: Linda K. Connolly, Esq.

Internal Address: c/o Pitney, Hardin, Kipp & Szuch

Street Address: P.O.Box 1945

City: Morristown State: NJ ZIP: 07945

6. Total number of applications and registrations involved:.....10

7. Total fee (37 CFR 3.41).....\$265.00

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

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

DO NOT USE THIS SPACE

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

Linda K. Connolly, Esq.                      [Signature]                      6/14/00  
 Name of Person Signing                      Signature                      Date

Total number of pages including cover sheet, attachments, and document: 5

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

07/13/2000 DNGUYEN 00000305 2092860

01 FC:481                      40.00 OP  
02 FC:482                      225.00 OP

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TRADEMARK  
REEL: 002107 FRAME: 0963

**SCHEDULE A TO PLEDGE OF TRADEMARKS AS SECURITY**

U.S. REGISTERED MARKS

<b><u>MARK</u></b>	<b><u>OWNER</u></b>	<b><u>REG. NO.</u></b>	<b><u>DATE REG.</u></b>	<b><u>CLASS</u></b>	<b><u>GOODS OR SERVICES</u></b>	<b><u>NEXT ACTION AND DATE</u></b>
I (and design)	Intelligroup, Inc.	2,092,860	09/02/1997	37	Installation of computer software systems	Section 8 & 15 due after 9/2/2003
				41	Computer education training of personnel for others	
				42	Computer consulting services for others, computerized data base management services, custom design of computer hardware and software systems, and maintenance of computer software	
INTELLIGROUP	Intelligroup, Inc.	2,090,880	08/26/1997	37	Installation of computer software systems	Section 8 & 15 due after 8/26/2003
				41	Computer education training of personnel for others	
				42	Computer consulting services for others, computerized data base management services, custom design of computer hardware and software systems, and maintenance of computer software	

<u>MARK</u>	<u>APPLICANT</u>	<u>SERIAL NO.</u>	<u>DATE FILED</u>	<u>CLASS</u>	<u>DESCRIPTION OF GOODS OR SERVICES</u>	<u>STATUS AND REMARKS</u>
ASPplus (design)	Intelligroup, Inc.	75/815954	10/05/1999	42	Application management, optimization, and hosting	ITU. Office action mailed 4/27/00, not yet received.
MYADVISOR	Intelligroup, Inc.	75/815808	10/05/1999	09	Computer software used to implement business systems and business plans, by compiling, analyzing and prioritizing information and generating automated guidance and advice, used in business processes, technical operations and professional tasks	ITU. Response to 3/20/00 office action filed 3/30/00. Need date of first use and specimens.
MYADVISOR	Intelligroup, Inc.	75/815801	10/05/1999	41	Computer education training of personnel for others	ITU. Response to 3/20/00 office action filed 3/30/00. Need date of first use and specimens.
4 Sight Plus (design)	Intelligroup, Inc.	75/212373	12/12/1996	42	Computer software consulting services for others, design of computer software and computer software design engineering services, all for implementing business systems and generating project plans	Suspended.
4 Sight Plus (design)	Intelligroup, Inc.	75/189833	10/30/1996	09	Computer software and documentation marketed as a unit used to implement business systems by compiling, analyzing, and prioritizing information and generating project plans	Opposition pending.
4 Sight (design)	Intelligroup, Inc.	75/157060	08/28/1996	42	Computer software and documentation marketed as a unit used to implement business systems by compiling, analyzing, and prioritizing information and generating project plans	Suspended.

CREATING THE INTELLIGENT ENTERPRISE	Intelligroup, Inc.	75/847577	11/12/1999	41	Computer education training of personnel for others	First use April 1997. Approved for publication 3/31/00, without date.
				42	Installation of computer software systems, computer consulting services for others, computerized data base management services, custom design of computer hardware and software systems, and maintenance of computer software	
EMPOWER SOLUTIONS	Intelligroup, Inc.	75-854000	11/19/1999	35	Computerized data base management services	Disclaimer of SOLUTIONS required. In use Jan 1997. Telephone conference with examiner 5/2/2000. Examiner's amendment to be issued.
				41	Computer education training of personnel for others	
				42	Installation of computer software, computer consulting services for others, custom design of computer hardware and software systems for others, and maintenance of computer software	

Prepared by, Record and Return to:  
MICHAEL P. TURNER, ESQ.  
Pitney, Hardin, Kipp & Szuch  
P.O. Box 1945  
Morristown, NJ 07962-1945

**PLEDGE OF TRADEMARKS AS SECURITY**

This Pledge of Trademarks as Security ("Pledge") made as of the 31st day of May, 2000, by **INTELLIGROUP, INC.**, a corporation of the State of New Jersey, having its principal place of business at 499 Thornall Street, Edison, New Jersey 08837 ("Pledgor"), and delivered to **PNC BANK, NATIONAL ASSOCIATION**, an association organized and existing under the laws of the United States of America, having a location at Two Tower Center Boulevard, East Brunswick, New Jersey 08816, as Agent to the Lenders ("Agent").

**WITNESSETH:**

**WHEREAS**, Pledgor has adopted, used and is using (or has filed applications for the registration of) the trademarks, service marks and trade names listed on Schedule "A" annexed hereto and made a part hereof (all such marks or names are hereinafter referred to as the "Trademarks"), as evidenced by records in the United States Patent and Trademarks Office; and

**WHEREAS**, Pledgor is the owner of and has exclusive right, title and interest in and to said Trademarks; and

**WHEREAS**, Agent is contemporaneously herewith entering into an Amended and Restated Revolving Credit, Loan and Security Agreement with Pledgor ("Loan Agreement") pursuant to which loans and advances may be made by Agent to Pledgor (hereinafter collectively referred to as the "Loan") and certain other documents and agreements relating thereto (collectively, the "Loan Documents"); and

**WHEREAS**, Agent desires to acquire the Trademarks as security for the Loan and all other obligations of Pledgor to Agent related thereto.

**NOW THEREFORE**, in consideration of the foregoing premises and mutual promises herein contained, Pledgor and Agent, intending to be legally bound, hereby covenant and agree as follows (all capitalized terms used but not defined herein shall have the meanings ascribed therein the Loan Agreement):

**1. Grant of Security Interest.** In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure payment and performance of the Obligations, the Pledgor grants a lien and security interest to the Agent in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill and other tangible assets of

the Pledgor associated with and represented by the Trademarks, and the non-intent-to-use applications for and registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

**2. Representations and Warranties.** The Pledgor represents, warrants and covenants that: (a) the Trademarks are subsisting and have not been abandoned, suspended, voluntarily terminated or canceled by the Pledgor, have not been adjudged invalid or unenforceable, and to the best of the Pledgor's knowledge, there is no reason why the Trademarks should be adjudged invalid or unenforceable; (b) to the best of Pledgor's knowledge, information and belief, each of the Trademarks, is valid and enforceable; (c) the Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Pledgor not to sue third persons; (d) the Pledgor has the unqualified right to enter into this Agreement and perform its terms; (e) the Pledgor has used, and will continue to use for the duration of this Agreement, proper notice, as required by 15 U.S.C. §§ 1051-1127 in connection with its use of the Trademarks; (f) the Pledgor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in products leased or sold under the Trademarks; and (g) the Pledgor will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any Trademark which is material to the continued operation of Pledgor's business (each a "Material Mark") may become invalidated, abandoned, unenforceable, avoided, avoidable or otherwise diminished in value, and shall notify the Agent immediately if it knows of any reason or has any reason to know of any grounds under which any of the foregoing may occur.

**3. Verification of Quality Control.** The Pledgor hereby grants to the Agent and its employees and agents the right to visit the Pledgor's locations which lease, sell, or store products under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure the Pledgor's compliance with paragraph 2(f).

**4. Covenants.** The Pledgor further covenants that until all of the Obligations have been satisfied in full: (a) the Pledgor shall maintain all Material Marks in full force and effect; (b) the Pledgor will not enter into any agreement which is inconsistent with the Pledgor's obligations under this Agreement or which restrict or impair the Agent's rights hereunder; and (c) if the Pledgor acquires rights to any new non-intent-to-use Trademarks, the provisions of this Agreement shall automatically apply thereto and the Pledgor shall give the Agent prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Pledgor shall have the right to enter into agreements in the ordinary course of business with respect to the Trademarks.

**5. Exclusive Use of Trademarks.** So long as this Agreement is in effect and so long as the Pledgor has not received notice from the Agent that an Event of Default has occurred under the Loan Documents and that the Agent has elected to exercise its rights to assignment hereunder, the Pledgor shall continue to have the exclusive right to use the Trademarks including licenses thereof, and the Agent shall have no right to use the Trademarks or issue any exclusive

or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

**6. Negative Pledge.** The Pledgor agrees not to sell, assign (by operation of law or otherwise) or further encumber its rights and interest in the Trademarks without prior written consent of the Agent. The Pledgor shall defend the Trademarks against and shall take other action as is necessary to remove any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, and will defend the right, title and interest of the Agent in and to any of the Pledgor's rights under the Trademarks against the claims or demands of all persons whatsoever.

**7. No Additional Trademarks.** As of the date hereof, other than those grants, registrations or applications for registrations listed on Schedule A annexed hereto and made a part hereof, Pledgor:

(a) owns no Material Marks; and

(b) has no other Trademarks which are registered in or which are the subject of pending applications with the United States Patent and Trademark Office.

**8. Pledge of Additional Trademarks.** In the event the Pledgor, either itself or through any agent, employee, licensee or designee shall:

(a) file or record an application for the registration of any non-intent-to-use Trademark with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof; or

(b) file or record any assignment of any Trademark which the Pledgor may acquire, own or license from a third party, with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof;

the Pledgor shall promptly, but in no event more than fifteen (15) days subsequent to such filing, notify the Agent thereof, and, upon request of the Agent shall promptly, but in no event more than twenty (20) days subsequent to such notice, execute and deliver any and all assignments, agreements, instruments, documents and papers as the Agent may reasonably request to evidence the Agent's interest in such Trademark and the goodwill of the Pledgor associated thereto or represented thereby. The Pledgor hereby grants the Agent a power of attorney, irrevocable until the Obligations are fully paid and satisfied, to modify this Agreement by amending Schedule A, as applicable, to include any future Trademarks or Licenses, including, without limitation, registrations or applications appurtenant thereto, covered by this Agreement.

**9. Remedies Upon Default.** (a) Anything herein contained to the contrary notwithstanding, if and while the Pledgor shall be in default hereunder or an Event of Default exists under the Loan Documents, the Pledgor hereby covenants and agrees that the Agent, as the

holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of the Pledgor's default hereunder or an Event of Default under the Loan Documents and while such default or Event of Default exists, the Pledgor hereby authorizes and empowers the Agent to make, constitute and appoint any officer or agent of the Agent as the Agent may select, in its exclusive discretion, as the Pledgor's true and lawful attorney-in-fact, with the power to endorse the Pledgor's name on all applications, documents, papers and instruments necessary for the Agent to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement and the Loan Documents, and until all the Obligations are satisfied in full.

(c) The Pledgor expressly acknowledges that this Agreement shall be recorded with the Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, the Pledgor shall also execute and deliver to the Agent such documents as the Agent shall reasonably request to permanently assign all rights in the Trademarks to the Agent, which documents shall be held by the Agent, until the occurrence of an Event of Default hereunder or under the Loan Documents. After such occurrence, the Agent may, at its sole option, record such documents with the Patent and Trademark Office.

**10. Subject to Loan Agreement.** This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

**11. Inconsistent with Loan Agreement.** All rights and remedies herein granted to the Agent shall be in addition to any rights and remedies granted to the Agent under the Loan Documents. In the event of an inconsistency between this Agreement and the Loan Agreement, the language of the Loan Agreement shall control. The terms and conditions of the Loan Agreement are hereby incorporated herein by reference.

**12. Termination of Agreement.** Upon payment and performance of all Obligations under the Loan Documents, the Agent shall execute and deliver to the Pledgor all documents necessary to re-vest all rights in and to the Trademarks in the Pledgor and/or terminate any interest of the Agent therein.

**13. Prosecution of Trademark Applications.** (a) Subject to the terms of the Loan Documents, the Pledgor shall have the duty to prosecute diligently any trademark application with respect to Material Marks pending as of the date of this Agreement or thereafter, until the Obligations shall have been satisfied in full (except with respect to intent-to-use applications to the extent the marks are not utilized in commerce), to preserve and maintain all rights in the registration and grant of such Trademarks, to bring an appropriate action to halt any infringement



of such Trademarks, and upon reasonable request of the Agent, the Pledgor shall make federal application on registrable but unregistered trademarks belonging to the Pledgor. Any reasonable expenses incurred in connection with such applications or defense of said Trademarks shall be borne by the Pledgor. The Pledgor shall not abandon any Material Mark without the written consent of the Agent.

(b) The Pledgor shall have the right to bring suit in its own name to enforce the Trademarks, in which event the Agent may, if the Pledgor deems it necessary or after an Event of Default under the Loan Documents, be joined as a nominal party to such suit if the Agent shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Pledgor shall promptly, upon demand, reimburse and indemnify the Agent for all damages, reasonable costs and reasonable expenses, including attorneys' fees, incurred by the Agent in the fulfillment of the provisions of this paragraph.

**14. Responsibility and Liability.** The Pledgor assumes all responsibility and liability arising from the use of the Trademarks, and hereby indemnifies and holds the Agent and each director, officer, employee, affiliate and agent thereof, harmless from and against any claim, suit, loss, damage or expense (including attorneys' fees and expenses) arising out of any alleged defect in any product manufactured, promoted or sold by the Pledgor in connection with any of the Trademarks or otherwise arising out of the Pledgor's operation of its business from the use of the Trademarks. In any suit, proceeding or action brought by the Agent under any License for any sum owing thereunder, or to enforce any provisions of such License, the Pledgor will indemnify and keep the Agent harmless from and against all expense, loss or damage suffered by reason of any defense, set off, recoupment, claim, counterclaim, reduction or liability whatsoever of the obligee thereunder or arising out of a breach of the Pledgor of any obligation thereunder or arising out of any agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from the Pledgor, and all such Obligations of the Pledgor shall be and remain enforceable against and only against the Pledgor and shall not be enforceable against the Agent.

**15. Agent's Rights.** The Agent may, in its sole discretion, pay any amount or do any act required of the Pledgor hereunder or requested by the Agent to preserve, defend, protect, maintain, record or enforce the Pledgor's obligations contained herein, the Obligations of the Pledgor to the Agent, the Trademarks, or the right, title and interest granted the Agent herein, and which the Pledgor fails to do or pay, and any such payment shall be deemed an advance by the Agent to the Pledgor and shall be payable on demand together with interest thereon at the default rate specified in the Loan Documents.

**16. Protection of the Trademarks.** The Pledgor agrees that if it learns of any use by any person or any term or design likely to cause confusion with any Trademark, or of any claim of any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, the Pledgor shall promptly notify the Agent of such use, lien, security interest, claim, right or other encumbrance and, if requested by the Agent, shall join with the Agent, at the Pledgor's expense, in such action as the Agent, in its reasonable discretion, may deem advisable for the protection of the Agent's interest in and to the Trademarks, it being understood that the

foregoing shall not preclude the Pledgor from bringing an action against a person for the protection of the Pledgor's interest in and to such Trademarks.

17. **Additional Remedies.** Upon the occurrence of an Event of Default under the Loan Documents, the Agent may, without any obligation to do so, complete any obligation of the Pledgor hereunder, in the Pledgor's name or in the Agent's name, but at the Pledgor's expense, and the Pledgor hereby agrees to reimburse the Agent in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Agent in protecting, defending and maintaining the Trademarks.

18. **Governing Law.** THIS AGREEMENT WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE AGENT'S OFFICE INDICATED ABOVE IS LOCATED, EXCLUDING ITS CONFLICT OF LAWS RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

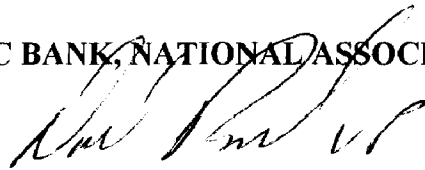
19. **Counterparts.** This Agreement may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

INTELLIGROUP, INC.  
a New Jersey Corporation

By:   
Name: Nicholas Visco  
Title: Chief Financial Officer

PNC BANK, NATIONAL ASSOCIATION

By:   
Name: David Raphaels  
Title: Vice President

STATE OF NEW JERSEY :  
 : SS.  
COUNTY OF MORRIS :

BE IT REMEMBERED, that on this 31st day of May, 2000, before me, the undersigned notary public of the State of New Jersey, personally appeared **Nicholas Visco** who acknowledged himself to be the Chief Financial Officer of **INTELLIGROUP, INC.**, a New Jersey corporation, and that he as such Chief Financial Officer being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the company by himself as Chief Financial Officer.

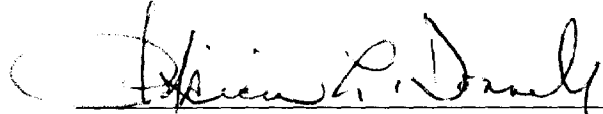
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

By   
Notary Public

My Commission Expires **PATRICIA L. DONNELLY**  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires May 20, 2002

STATE OF NEW JERSEY :  
 : SS:  
COUNTY OF MORRIS :

**BE IT REMEMBERED**, that on this 31st day of May, 2000, before me the subscriber, a Notary Public of the State of New Jersey personally appeared **David Raphaels**, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is a Vice President of **PNC BANK, NATIONAL ASSOCIATION**, the corporation named in the within instrument; that the execution as well as the making of this instrument, has been duly authorized and said instrument signed and delivered by said Vice President as and for the voluntary act and deed of said corporation.

  
\_\_\_\_\_  
Notary Public  
My Commission Expires **PATRICIA L. DONNELLY**  
**NOTARY PUBLIC OF NEW JERSEY**  
My Commission Expires May 20, 2002