

02-08-2001

Docket No.:

18588/2



101607962

Tab settings

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

1. Name of conveying party(ies):

Imaging Automation, Inc.

1-29-01

- Individual(s)
- General Partnership
- Corporation-State (Delaware)
- Other
- Association
- Limited Partnership

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

3. Nature of conveyance:

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

Execution Date: December 20, 2000

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

Name: Dime Capital Partners, Inc.

Internal Address:

Street Address: 1401 Valley Road, 3rd Floor

City: Wayne State: NJ ZIP: 07470

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

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

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

A. Trademark Application No.(s)

75/709,504 May 19, 1999
 75/709,503 May 19, 1999
 75/709,502 May 19, 1999

Additional numbers

B. Trademark Registration No.(s)

2,335,600 Registered on 03/28/00

Yes No

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

Name: Mark S. Leonardo, Esq.

Internal Address: BROWN RUDNICK FREED &

02/07/2001 BTOM11 00000204 75709504

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

Street Address: One Financial Center

18th Floor, BOX IP

City: Boston State: MA ZIP: 02111

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

6

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

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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.

Mark S. Leonardo (Reg.No. 41,433)

Name of Person Signing

Signature

January 25, 2001

Date

Total number of pages including cover sheet, attachments, and

11

TRADEMARK

REEL: 002232 FRAME: 0460

2. Name and Address of Additional Receiving Parties:

MerchantBanc Venture Partners, Limited Partnership
Two Wall Street
Manchester, NH 03101

Limited Partnership - NH

4. Application Numbers or registration numbers:

A. Trademark Application Nos.:

75/709,501	filed on May 19, 1999
75/709,462	filed on May 19, 1999

SCHEDULE A

IMAGING AUTOMATION, INC. TRADEMARK SECURITY AGREEMENT

Name & Address of Purchaser

1. Dime Capital Partners, Inc.
1401 Valley Road, 3rd Floor
Wayne, NJ 07470
 - (a) \$1,500,000 Note
 - (b) 647,287 Purchase Warrants on Closing
 - (c) 323,644 Additional Warrants on Second Anniversary of Closing,
if applicable hereunder

2. MerchantBanc Venture Partners, Limited Partnership
Two Wall Street
Manchester, New Hampshire, 03101
 - (a) \$750,000 Note
 - (b) 323,644 Purchase Warrants on Closing
 - (c) 161,822 Additional Warrants on Second Anniversary of Closing,
if applicable hereunder

TRADEMARK SECURITY AGREEMENT

AGREEMENT (this "Agreement") dated as of December 20, 2000 made by Imaging Automation, Inc., a corporation organized and existing under the laws of the State of Delaware, with its principal office at 25 Constitution Drive, Bedford, New Hampshire, 03110 ("Company"), in favor of the several purchasers named in **Schedule A**, attached hereto and made a part hereof, and their respective successors, assigns, and other legal representatives (individually and collectively, the "Secured Party").

W I T N E S S E T H:

WHEREAS, Company wishes Secured Party to purchase, in the aggregate, \$2,250,000 of its Subordinated Debentures, 2000 Series (individually and collectively, the "Debenture");

WHEREAS, Secured Party is willing to purchase the Debenture, provided that Company satisfies certain conditions to Secured Party becoming obligated to purchase the Debenture, all as more particularly set forth in that certain Note Purchase Agreement among Company and Secured Party dated as of even date herewith (as amended and supplemented from time to time, the "Note Purchase Agreement");

WHEREAS, included among the conditions to Secured Party becoming obligated to Purchase the Debenture is the condition that Company provide Secured Party with a lien on all of its general, patent, trademark and copyright collateral as security for the repayment of the Debenture, and as security for all Obligations (as defined below) of Company to Secured Party.

NOW, THEREFORE, in consideration of the agreement of Secured Party to purchase the Debenture, and to extend credit or other financial accommodations to Company on the terms more particularly set forth in the Note Purchase Agreement and the Financing Documents referenced therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in addition to, and not in limitation of, any rights of the Secured Party, Company hereby agrees for the benefit of Secured Party as follows:

1. DEFINITIONS. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Note Purchase Agreement. In addition, the following terms shall have the meanings set forth in this Section 1:

"Financing Documents" means the Financing Documents (as defined in the Note Purchase Agreement) and all other documents and instruments evidencing the agreements among Company and Secured Party relating to the purchase of the Debenture by Secured Party.

"Obligations" means all loans, interest, fees, debts, liabilities, obligations, agreements, undertakings, covenants and duties, of every kind and description, owing or to be performed or observed by Company to or in favor of Secured Party under the terms of the Financing Documents (whether or not: evidenced by any note or instrument; for the payment of money; or contemplated as of the date hereof), direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation the Outstanding Indebtedness.

"Outstanding Indebtedness" means all amounts due from Company to Secured Party under the Debenture including without limitation principal, interest, costs and fees to which Secured Party may be entitled.

"Proceeds" shall mean any consideration received from the sale, exchange, license, lease or other transfer or disposition of any right, interest, asset or property which constitutes Trademark Collateral, any value received as a consequence of the ownership, possession, or use of any Trademark Collateral, and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes Trademark Collateral.

"PTO" shall mean the United States Patent and Trademark Office.

"Trademarks" shall mean all of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and/or other source and/or product or service identifiers, and general intangibles of like nature, used or associated with or appurtenant to the products, services and business of Company, which (i) are set forth on **Schedule B** attached hereto, or (ii) have been adopted, acquired, owned, held or used by Company and are now owned, held or used by Company, in Company's business, or with Company's products and services, or in which Company has any right, title or interest, or (iii) are in the future adopted, acquired, owned, held and/or used by Company in Company's business or with Company's products and services, or in which Company in the future acquires any right, title or interest.

"Trademark Collateral" shall mean all of Company's right, title and interest (to the extent Company has any such right, title or interest) in and to all of the Trademarks, the Trademark Registrations, the Trademark Rights, and all additions, improvements and accessions to, substitutions for, replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing.

"Trademark Registrations" shall mean all past, present or future federal, state, local and foreign registrations of the Trademarks (and all renewals and extensions of such registrations), all past, present and future applications for any such registrations of the Trademarks (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and

prosecute such applications) in the name of Company or Secured Party, and to take any and all actions necessary or appropriate to maintain such registrations in effect and/or renew and extend such registrations.

"Trademark Rights" shall mean any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including but not limited to the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of Company or the Secured Party for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury.

"Use" of any Trademark shall include all uses of such Trademark by, for or in connection with Company or its business or for the direct or indirect benefit of Company or its business, including but not limited to all such uses by Company itself, by any of the affiliates of Company, or by any licensee or contractor of Company.

2. GRANT OF SECURITY INTEREST; COLLATERAL ASSIGNMENT.

2.1 Grant of Security Interest. As collateral security for the complete and timely payment, performance and satisfaction of all Obligations, Company hereby unconditionally grants to Secured Party, a continuing security interest in and lien on the Trademark Collateral, and pledges and hypothecates the Trademark Collateral to the Secured Party.

2.2 Supplemental to Financing Documents. Company expressly acknowledge to the Secured Party and agrees that Company has delivered the Financing Documents pursuant to which Company unconditionally granted to Secured Party a continuing security interest in and lien on the Collateral (including the Trademark Collateral). In no event shall this Agreement, or the recordation of this Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Financing Documents, the security interest of Secured Party in the Collateral (including the Trademark Collateral) pursuant to the Financing Documents, the attachment and perfection of such security interest under the Code, or the present or future rights and interests of Secured Party in and to the Collateral under or in connection with the Financing Documents, this Agreement and/or the Code. Any and all rights and interests of Secured Party in and to the Trademark Collateral (and any and all obligations of Company with respect to the Trademark Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of Secured Party (and the obligations of Company) in, to or with respect to the Collateral (including the Trademark

Collateral) provided in or arising under or in connection with the other Financing Documents.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF COMPANY. Company represents and warrants to, and covenants and agrees with, Secured Party, as follows:

3.1 Title. Company shall take all actions necessary to defend its right, title and interests in and to the Trademarks and the Trademark Collateral against claims of any third parties.

3.2 Maintenance of Trademark Collateral. Company shall take such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as are necessary to maintain, protect, preserve, care properly for and enforce the Trademarks and the Trademark Registrations, Trademark Rights and to preserve Company's rights in the Trademarks.

3.3 Trademark Symbols and Notices; No Abandonment. Company has in the past used, and shall in the future use, the Trademarks with the statutory and other appropriate symbols, notices or legends of the registrations and ownership thereof consistent with past practice or as deemed necessary or appropriate by Company in its reasonable judgment. Company shall not abandon any of the Trademarks, Trademark Registrations or Trademark Rights, nor do any act nor omit to do any act if such act or omission is of a character that tends to cause or contribute to the abandonment of any Trademark, Trademark Registration or Trademark Right or loss of or adverse effect on any rights in any Trademark, Trademark Registration or Trademark Right. Prohibited acts of Company shall include but not be limited to "assignments in gross" of any Trademark or the license of any Trademark without both appropriate contractual use and quality control provisions and proper monitoring, supervision and enforcement by Company of the quality of the licensed goods or services. Company shall take all necessary and appropriate actions to insure that none of the Trademarks shall become generic or merely descriptive.

3.4 No Infringements. There is at present no infringement or unauthorized or improper use of the Trademarks or the Trademark Registrations or the Trademark Rights related thereto. In the event any such infringement or unauthorized or improper use by any third party has been reasonably established by Company, Company shall promptly notify Secured Party.

3.5. Maintenance of Registrations. Company, with counsel of its own choosing and at its expense, shall take all actions necessary to preserve and maintain in full force and effect the Trademarks, Trademark Registrations and Trademark Rights.

3.6 Filing for Perfection of Interest. Company acknowledges and agrees that Secured Party may cause this Agreement to be recorded with the PTO.

4. RIGHTS OF AND LIMITATIONS ON SECURED PARTY. It is expressly agreed by Company that Company shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it relating to the Trademark Collateral. Secured Party shall not have any obligation or liability under or in relation to the Trademark Collateral by reason of the execution and delivery of or arising out of this Agreement and Secured Party's rights hereunder, or the grant of a security interest by Company to Secured Party of, or the receipt in accordance with this Agreement by Secured Party of, any payment relating to any Trademarks, nor shall Secured Party be required or obligated in any manner to perform or fulfill any of the obligations of Company relating to the Trademark Collateral or be liable to any party on account of Company's use of the Trademark Collateral.

5. REMEDIES UPON AN EVENT OF DEFAULT. Upon the occurrence of and during the continuation of an Event of Default:

(a) Secured Party may declare all Obligations secured hereby immediately due and payable and shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as now in effect in the State of New Hampshire or under other applicable law.

(b) Secured Party may notify any obligors with respect to the Trademark Collateral of Secured Party's security interest and that such obligors are to make payments directly to Secured Party. Secured Party may send this notice in Company's name or in Secured Party's name, and at Secured Party's request Company will join in Secured Party's notice, provide written confirmation of Secured Party's security interest and request that payment be sent to Secured Party. Secured Party may enforce this obligation by specific performance. Secured Party may collect all amounts due from such obligors. Upon and after notification by Secured Party to Company, Company shall hold any proceeds and collections of any of the Trademark Collateral in trust for Secured Party and shall not commingle such proceeds or collections with any other of Company's funds, and Company shall deliver all such proceeds to Secured Party immediately upon Company's receipt thereof in the identical form received and duly endorsed or assigned to Secured Party.

(c) Secured Party will give to Company reasonable notice of the time and place of any public sale of Trademark Collateral or of the time after which any private sale or other intended disposition thereof is to be made. Such requirement of reasonable notice shall be met if such notice is delivered to the address of Company set forth in this Agreement at least ten (10) days before the time of the proposed sale or disposition. Any such sale may take place from Company's location or such other location as Secured Party may designate. Company shall remain liable for any deficiency in payment of the Obligations after any such sale.

(d) No Obligation of Secured Party. Nothing herein shall be construed as obligating Secured Party to take any of the foregoing actions at any time.

6. POWER OF ATTORNEY. The provisions of this Section 6 shall be subject in all events to the terms and conditions of the Purchase Agreement.

6.1 Grant. Company hereby grants to Secured Party, and any officer or agent of Secured Party as Secured Party may designate in its sole discretion, a power of attorney, thereby constituting and appointing Secured Party (and Secured Party's designee) its true and lawful attorney-in-law and attorney-in-fact, effective upon the occurrence and during the continuation of an Event of Default, for the purpose of assigning, selling, licensing or otherwise transferring or disposing of all right, title and interest of Company in and to any of the Trademark Collateral in accordance with the terms hereof. Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

6.2 Irrevocable. The foregoing power of attorney is coupled with an interest and is irrevocable until this Agreement shall terminate.

7. GENERAL PROVISIONS.

7.1 Specific Enforcement. Due to the unique nature of the Trademark Collateral, and in order to preserve its value, Company agrees that Company's agreements, duties and obligations under this Agreement shall be subject to specific enforcement and other appropriate equitable orders and remedies.

IN WITNESS WHEREOF, Company has caused this Agreement to be executed by its duly authorized officer as of the date first written above.

[SIGNATURE PAGE TO FOLLOW]

SIGNATURE PAGE TO IMAGING AUTOMATION, INC.
TRADEMARK SECURITY AGREEMENT

IN WITNESS WHEREOF, Company has caused this Agreement to be executed by its duly authorized officer as of the date first written above.

WITNESS:

Imaging Automation, Inc.

James M. Augs

By: Brian Piani CFO
Name:
Title:

STATE OF NEW HAMPSHIRE
COUNTY OF Merrimack

On this the 19th day of December, 2000, before me, Dodd Griffith, the undersigned officer, personally appeared Brian Piani, who acknowledged himself to be the CFO of Imaging Automation, Inc., a corporation, and that he, as such CFO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as CFO.

In witness whereof, I hereunto set my hand and official seal.

Dodd S. Griffith
Notary Public
My Commission Expires: 2-18-2003

SCHEDULE A

IMAGING AUTOMATION, INC. TRADEMARK SECURITY AGREEMENT

Name & Address of Purchaser

1. Dime Capital Partners, Inc.
1401 Valley Road, 3rd Floor
Wayne, NJ 07470
 - (a) \$1,500,000 Note
 - (b) 647,287 Purchase Warrants on Closing
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 - (a) \$750,000 Note
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if applicable hereunder

SCHEDULE B

IMAGING AUTOMATION, INC. TRADEMARK SECURITY AGREEMENT

REGISTERED AND PENDING TRADEMARKS

1. Registered Trademarks

Trademark	Registration Date	Registration No.	Goods and Services
BORDERGUARD!	March 28, 2000	2,335,600	Electronic document authentication apparatus for use in authenticating documents such as passports.

2. Pending Trademark Applications

Trademark	Filing Date	Serial No.	Goods and Services	Status
DE-MAND	May 19, 1999	75/709,504	Software used on computers to manage large numbers of documents.	Pending
CO-MAND	May 19, 1999	75/709,503	Software used on computers to manage information in databases.	Pending
GRABIT	May 19, 1999	75/709,502	Apparatus for capturing signatures and Fingerprints on base documents.	Pending
PHOTOEAS E	May 19, 1999	75/709,501	Automatic apparatus and software for taking digital photographs used to create documents of many types including licenses and passports.	Pending
DCU	May 19, 1999	75/709,462	Apparatus for capturing digital images from different sources such as faces, signatures, fingerprints and printed data.	Pending