

04-20-2001



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UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

4-20-01

M.R.D.  
4.20.01

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1. Name and address of conveying party:

Scan-Optics, Inc.  
169 Progress Drive  
Manchester, Connecticut 06040

A Delaware corporation

2. Name and address of receiving party:

ARK CLO 2000-1, Limited  
c/o Woodside Capital Management LLC  
40 Woodland Street  
Hartford, Connecticut 06105

A Cayman Island limited liability company

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes

(Designation must be a separate document from Assignment)

3. Nature of conveyance: security agreement

First Supplemental Trademark Collateral Security and Pledge Agreement (re: Reel/Frame Number 0952/0336 and Reel/Frame Number 0952/0358)

Execution date: February 28, 2001

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

0 9520336

A. Trademark application number(s)

See Attached Schedule A

RECORDATION  
ASSIGNMENT SERVICES  
DIVISION  
2001 APR 20 11 24 AM  
14 20 01

04/20/2001 6TOM11 00000118 09520336  
40.00 DP  
200.00 DP  
01 FC:481  
02 FC:482

B. Trademark registration number(s)

See Attached Schedule B

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

Michelle Walters Fournier, RP  
Senior Paralegal  
Bingham Dana LLP  
One State Street  
Hartford, Connecticut 06103  
*StC-240-2735*

6. Total number of applications and registrations involved: 9

7. Total fee enclosed: \$240.00


8. Deposit account number: Not applicable

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.

ARK CLO 2000-1, Limited,  
as assignee of FLEET NATIONAL BANK  
formerly known as BANKBOSTON, N.A., as Lender

By: Patriarch Partners, LLC  
Its Collateral Manager

  
Lynn Tilton  
Its: Manager

Date: April 17, 2001

Total number of pages comprising cover sheet (including attached Schedules): 14

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

Commissioner of Patents and Trademarks  
Box Assignments  
Washington, D.C. 20231

Schedule A

Trademark Application Number(s)  
(Continuation of Item 4A)

<u>Trademark</u> or <u>Service Mark</u>	Pending Applications -- United States Patent and Trademark Office	
	<u>Serial No.</u>	<u>Filing Date</u>
SOUTHERN COMPUTER SYSTEMS INC.	75892392	January 7, 2000
SOUTHERN COMPUTER SYSTEMS INC.	75892210	January 7, 2000

Schedule B

Trademark Registration Number(s)  
(Continuation of Item 4B)

Trademark  
or  
Service Mark

Registrations –  
United States Patent and Trademark Office

Mark	Registration Number	Registration Date
SCANGEN	2022344	December 10, 1996
VISTAFORM	2360545	June 20, 2000
VISTASTAT	2385947	September 12, 2000
VISTACAPTURE	2385948	September 12, 2000
VISTAEDIT	2182388	August 18, 1998
MENU MANAGER	1513353	November 22, 1988
KEY ENTRY III	1421756	December 23, 1986

**FIRST SUPPLEMENTAL TRADEMARK  
COLLATERAL SECURITY AND PLEDGE AGREEMENT**

**SCAN-OPTICS, INC.**

This **FIRST SUPPLEMENTAL TRADEMARK COLLATERAL SECURITY AND PLEDGE AGREEMENT** (this "**Agreement**"), dated as of February 28, 2001, is by and between **SCAN-OPTICS, INC.**, a Delaware corporation, having its principal place of business at 169 Progress Drive, Manchester, Connecticut (the "**Assignor**"), and **ARK CLO 2000-1, LIMITED**, as assignee of Fleet National Bank (formerly known as BankBoston, N.A.), having an address of c/o Woodside Capital Management LLC, 40 Woodland Street, Hartford, Connecticut 06105 (the "**Lender**") under a certain Second Amended and Restated Loan Agreement dated as of May 10, 1999 (the "**Original Loan Agreement**") between the Assignor and the Lender, as amended pursuant to a certain Amendment and Waiver Agreement dated as of January 29, 2001 (the "**Amendment and Waiver Agreement**"; and together with the Original Loan Agreement as amended and otherwise in effect from time to time, the "**Loan Agreement**").

**RECITALS**

**WHEREAS**, the Assignor executed and delivered to the Lender certain Security Agreements, each dated as of April 7, 1993 (as the same may have been amended, reaffirmed or confirmed and otherwise in effect from time to time, collectively, the "**Assignor Security Agreement**") pursuant to which the Assignor granted to the Lender a security interest in all of the Assignor's assets, including, without limitation, all trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications, all to secure the payment and performance of the Obligations (as defined in the Loan Agreement);

**WHEREAS**, in connection with the transactions contemplated by the Assignor Security Agreement, the Assignor and the Lender entered into certain Trademark Collateral Security and Pledge Agreements, each dated as of April 7, 1993 (collectively, the "**Assignor Trademark Security Agreement**") pursuant to which the Assignor granted to the Lender a security interest in and lien on all of the Assignor's Pledged Trademarks, as such term is defined in the Assignor Trademark Security Agreement;

**WHEREAS**, the Assignor Trademark Security Agreement was filed with the United States Patent and Trademark Office (the "**PTO**") by Lender on April 14, 1993 (Reel/Frame Number 0952/0336 and Reel/Frame Number 0952/0358, respectively);

**WHEREAS**, the Assignor acknowledges and agrees that, as a result of the Assignor's failure to comply with certain terms and conditions of the Loan Agreement, certain Events of Default (as that term is defined therein) exist thereunder;

**WHEREAS**, notwithstanding the foregoing, the Assignor has requested and Lender has agreed to waive such Events of Default and amend certain terms and conditions of the Loan Agreement, all in accordance with the terms set forth in the Amendment and Waiver Agreement, *provided* that Assignor, among other things, execute and deliver this Agreement to Lender; and

**WHEREAS**, pursuant to and in fulfillment of the parties' obligations under the Amendment and Waiver Agreement, the Assignor Security Agreement and the Assignor Trademark Security Agreement and subject to the security interest and lien in favor of the Lender pursuant to the terms

thereof, the Assignor wishes to execute and deliver this Agreement to further effect, evidence and memorialize the Assignor's grant to the Lender of a security interest in those trademarks set forth on Schedule A hereto (such trademarks and trademark applications being collectively referred to herein as the "**Supplemental Trademarks**"), the Trademark rights associated with or related to the Supplemental Trademarks (the "**Supplemental Trademark Rights**"), the Trademark license rights associated with or related to the Supplemental Trademarks (the "**Supplemental Trademark License Rights**"), and the proceeds associated with or related to the Supplemental Trademarks (the "**Supplemental Proceeds**") (the Supplemental Trademarks, Supplemental Trademark Rights, Supplemental Trademark License Rights and Supplemental Proceeds are collectively referred to herein as the "**Supplemental Trademark Collateral**"), and the Assignor's collateral future assignment to the Lender of the Supplemental Trademark Collateral, all as contemplated by the Assignor Trademark Security Agreement.

**NOW, THEREFORE**, in consideration of the premises set forth in the Assignor Security Agreement and the Assignor Trademark Security Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor and the Lender hereby agree as follows:

**§1. DEFINITIONS.** All capitalized terms used herein without definition, including, without limitation, the term "Obligations", shall have the respective meanings provided therefor in the Loan Agreement, Assignor Security Agreement and the Assignor Trademark Security Agreement.

**§2. GRANT OF SECURITY; COLLATERAL ASSIGNMENT.**

**§2.1. Grant of Security Interest; Assignment of Marks.** As collateral security for the complete and timely payment, performance and satisfaction of all Obligations, the Assignor hereby grants to the Lender a continuing security interest in and first priority lien on the Supplemental Trademark Collateral, and pledges, mortgages and hypothecates (but does not transfer title to) the Supplemental Trademark Collateral to the Lender. In addition, the Assignor has executed in blank and delivered to the Lender an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "**Assignment of Marks**"). The Assignor hereby authorizes the Lender to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Lender's remedies under this Agreement, the Assignor Trademark Security Agreement and the Assignor Security Agreement. The Lender will give prompt notice of any such completion and recording of any Assignment of Marks pursuant to this Section 2.1.

**§2.2. Collateral Assignment.** In addition to, and not by way of limitation of, the grant, pledge, mortgage and hypothecation of the Supplemental Trademark Collateral provided in Section 2.1 hereof, to secure the complete and timely payment, performance and satisfaction of all Obligations, the Assignor hereby grants, assigns, transfers and conveys to the Lender (and confirms its grant, assignment, transfer and conveyance to the Lender pursuant to the Assignor Trademark Security Agreement), by way of collateral security, the Assignor's entire right, title and interest in and to the Supplemental Trademark Collateral, provided, however, that such grant, assignment, transfer and conveyance shall be and become of force and effect only (i) upon or after the occurrence and during the continuance of an Event of Default and (ii) either (A) upon the written demand of the Lender at any time during such continuance or (B) immediately and automatically (without notice or action of any kind by the Lender) upon an Event of Default for which acceleration of amounts outstanding is automatic under the Loan Documents or upon the sale or other disposition of or foreclosure upon the Supplemental Trademark Collateral pursuant to the Assignor Security Agreement or Article 9 of the Uniform Commercial Code (including the transfer or other disposition of the Supplemental Trademark Collateral by the Assignor). The foregoing grant, assignment,

transfer and conveyance shall be referred to from time to time herein as the "Section 2.2 Assignment". THE LENDER ASSUMES NO LIABILITY OR RESPONSIBILITY ARISING IN ANY WAY BY REASON OF ITS HOLDING SUCH COLLATERAL SECURITY.

**§2.3. Rights and Remedies Upon Default.** If any Event of Default shall have occurred and be continuing, then, with respect to the Supplemental Trademark Collateral, the Lender shall have such rights, interests and remedies, and the Assignor shall have such obligations, as are provided in or arise under the Assignor Trademark Security Agreement with respect to the Trademark Collateral, and all such rights, interests, remedies and obligations are hereby incorporated herein by reference as if set forth in full herein and are hereby ratified, confirmed, adopted and approved.

**§2.4. Supplemental to Certain Agreements.** In no event shall this Agreement, the Section 2.2 Assignment of the Supplemental Trademark Collateral hereunder 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 Assignor Security Agreement), the security interest of the Lender in the Collateral (including the Supplemental Trademark Collateral) pursuant to the Loan Agreement, the Assignor Security Agreement, the Assignor Trademark Security Agreement and/or this Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code, or the present or future rights and interests of the Lender in and to the Collateral under or in connection with the Loan Agreement, the Assignor Security Agreement, the Assignor Trademark Security Agreement, this Agreement and/or the Uniform Commercial Code. Any and all rights and interests of the Lender in and to the Supplemental Trademark Collateral, (and any and all obligations of the Assignor with respect to the Supplemental 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 the Lender (and the obligations of the Assignor) in, to or with respect to the Collateral (including the Supplemental Trademark Collateral) provided in or arising under or in connection with the Loan Agreement, the Assignor Security Agreement and the Assignor Trademark Security Agreement. The Loan Agreement, the Assignor Security Agreement, the Assignor Trademark Security Agreement, and all rights and interests of the Lender in and to the Collateral (including the Supplemental Trademark Collateral) thereunder, are hereby ratified, confirmed, adopted and approved.

### **§3. REPRESENTATIONS, WARRANTIES AND COVENANTS.**

**§3.1. Schedule A** to the Assignor Trademark Security Agreement (the "*Existing Schedule A*"), is hereby amended and supplemented by Schedule A to this Agreement (the "*New Schedule A*"). The Assignor represents and warrants that, together, the Existing Schedule A and the New Schedule A constitute a true and complete list of all United States Trademarks.

**§3.2.** The term "Trademarks", as defined and used in the Assignor Trademark Security Agreement, shall include, as of the time of the Assignor's acquisition of any right, title or interest therein or thereto, the Supplemental Trademarks, the Supplemental Trademark License Rights, the Supplemental Trademark Rights, the Supplemental Proceeds and the Supplemental Trademark Collateral.

**§3.3.** The Assignor represents and warrants that all representations and warranties of the Assignor as set forth in Section 3 of the Assignor Trademark Security Agreement, are true and correct in all material respects on and as of the date hereof. All such representations and warranties are hereby ratified, affirmed and incorporated herein by reference, and such representations and warranties are applicable to the Trademarks and the Supplemental Trademark Collateral with the same force and effect as though set forth herein in their entirety.



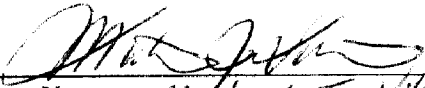
**§3.4.** All rights, interests, duties, obligations, liabilities, covenants, agreements and remedies of each of the Assignor and the Lender with respect to each other and/or the Trademarks (including without limitation the Supplemental Trademark Collateral) or any portion thereof, as set forth in the Assignor Trademark Security Agreement and the Assignor Security Agreement, are hereby ratified, confirmed, adopted, approved and incorporated herein by reference; and such rights, duties, obligations, liabilities, covenants, agreements and remedies are applicable to the parties and the Trademarks (including without limitation the Supplemental Trademark Collateral) with the same force and effect as though set forth herein in their entirety.

**§4. OTHER TERMS AND CONDITIONS OF THE ASSIGNOR TRADEMARK SECURITY AGREEMENT.** This Agreement incorporates by reference all other terms and conditions contained in the Assignor Trademark Security Agreement to the extent that such terms and conditions are not inconsistent with the provisions set forth in this Agreement, with the same force and effect as though set forth herein in their entirety.

[Signature page follows]

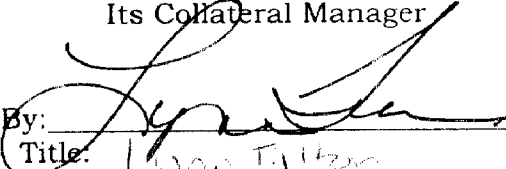
IN WITNESS WHEREOF, the Assignor and the Lender, each by its own duly authorized officer have duly executed this Agreement as of the date first set forth above.

**SCAN-OPTICS, INC.**

By:   
Name: Michael J. Villano  
Title: CFO

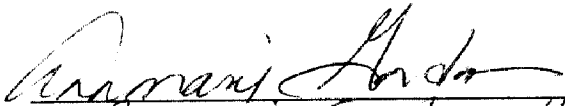
**ARK CLO 2000-1, LIMITED, as assignee of  
FLEET NATIONAL BANK formerly known as  
BANKBOSTON, N.A, as Lender**

By: **PATRIARCH PARTNERS, L.L.C.**  
Its Collateral Manager

By:   
Title: Lynn Tilton  
Manager

STATE OF CONNECTICUT )  
COUNTY OF Hartford ) ss.:

Before me, the undersigned, this 23<sup>rd</sup> day of March, 2001, personally appeared Michael J. Villano, known to me to be the CFO + VP of Scan-Optics, Inc., signer of the foregoing instrument, and that he as such officer, acknowledged the execution of the same to be his free act and deed individually and as such officer, and the free act and deed of said corporation.

  
Annmarie Gordon #1087239  
Notary Public  
My commission expires: 4/30/05

Schedule A

Trademarks and Trademark Registrations

Trademark or <u>Service Mark</u>	Registrations United States Patent and Trademark Office	
	<u>Registration No.</u>	<u>Registration Date</u>
SCANGEN	2022344	December 10, 1996
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VISTASTAT	2385947	September 12, 2000
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SOUTHERN COMPUTER SYSTEMS INC.	75892392	January 7, 2000
SOUTHERN COMPUTER SYSTEMS INC.	75892210	January 7, 2000

EXHIBIT 1

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, Scan-Optics, Inc., a corporation organized and existing under the laws of the State of Delaware, having a place of business at 169 Progress Drive, Manchester, Connecticut (the "Assignor"), has adopted and used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, ARK CLO 2000-1, LIMITED, as assignee of FLEET NATIONAL BANK (formerly known as BANKBOSTON, N.A.), as Lender, a national banking association, having an address of c/o Woodside Capital Management LLC, 40 Woodland Street, Hartford, Connecticut 06105 (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

SCAN-OPTICS, INC.

By: \_\_\_\_\_

Name:

Title:

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ARK CLO 2000-1, LIMITED, as assignee of FLEET NATIONAL BANK formerly known as BANKBOSTON, N.A, as Lender

By: PATRIARCH PARTNERS, LLC,  
Its Collateral Manager

By: \_\_\_\_\_  
Title:

STATE OF CONNECTICUT            )  
  ) ss.:  
COUNTY OF \_\_\_\_\_         )

Before me, the undersigned, this \_\_\_ day of March, 2001, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of Scan-Optics, Inc., signer of the foregoing instrument, and that he as such officer, acknowledged the execution of the same to be his free act and deed individually and as such officer, and the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public  
My commission expires:

ANNEX

Trademarks and Trademark Registrations

Trademark  
or  
Service Mark

Registrations -  
United States Patent and Trademark Office

Mark	Registration Number	Registration Date
SCANGEN	2022344	December 10, 1996
VISTAFORM	2360545	June 20, 2000
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SOUTHERN COMPUTER  
SYSTEMS INC.

75892392

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SOUTHERN COMPUTER  
SYSTEMS INC.

75892210

January 7, 2000