



Trademark Mortgage

This Trademark Mortgage (this "**Mortgage**"), made as of this 22 day of June, 2001, by **U.S. ROBOTICS CORPORATION**, a Delaware corporation, with its chief executive office and principal place of business at 935 National Parkway, Schaumburg, Illinois 60173 ("**Mortgagor**") in favor of **LASALLE BANK NATIONAL ASSOCIATION**, with an office at 135 South LaSalle Street, Chicago, Illinois 60603 ("**Mortgagee**");

WITNESSETH:

WHEREAS, Mortgagee and Mortgagor are parties to a certain Loan and Security Agreement dated March 15, 2001 (as amended from time to time, the "**Loan Agreement**"), which Loan Agreement provides, among other things, (i) for Mortgagee to, from time to time, extend credit to or for the account of Mortgagor and (ii) for the grant by Mortgagor to Mortgagee of a security interest in substantially all of Mortgagor's assets, including, without limitation, the trademarks, trademark applications, tradenames, service marks, service mark applications, goodwill and certain licenses of Mortgagor;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, Mortgagor agrees as follows:

1. **Capitalized Terms.** All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. **Mortgage of Trademarks.** To secure the complete and timely satisfaction of all of Borrower's Liabilities, Mortgagor hereby grants, bargains, assigns, mortgages, creates a security interest in, pledges, transfers and conveys to Mortgagee, as and by way of a mortgage and security interest having priority over all other security interests, all of Mortgagor's right, title and interest in and to all of its now existing and hereafter created or acquired:

(a) trademarks, trademark registrations, trademark applications, tradenames and tradestyles, service marks, service mark registrations and service mark registration applications, including, without limitation, the trademarks, tradenames, service marks, registrations and applications for registration listed on Exhibit A attached hereto and hereby made a part hereof, and (i) renewals or extensions thereof, (ii) all income, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, tradenames and tradestyles, service marks and applications and registrations thereof, together with the items described in clauses (i)-(iv) of this subsection 2(b), are sometimes hereinafter referred to individually as a "**Trademark**", and, collectively, as the "**Trademarks**" **provided**, however, that the terms Trademark or Trademarks shall not include any marks

that Mortgagor presently intends to use and for which Mortgagor has filed an intent-to-use application with the United States and Trademark Office, subject to Paragraph 5 below; and

(b) the goodwill of Mortgagor's business connected with and symbolized by the Trademarks.

Upon the occurrence of an Event of Default, Mortgagee shall have the power, to the extent permitted by law, to sell the Trademarks.

3. Warranties, Representations and Covenants. Mortgagor warrants and represents to Mortgagee that:

(a) None of the Trademarks has been adjudged invalid or unenforceable or have been canceled, in whole or in part, or are not presently subsisting;

(b) Each of the Trademarks is valid and enforceable;

(c) Mortgagor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, licenses, shop rights and covenants by Mortgagor not to sue third persons;

(d) Mortgagor has adopted, used and is currently using, or has a current bona fide intention to use, all of the Trademarks;

(e) Mortgagor has no notice of any suits or actions commenced or threatened with reference to any of the Trademarks; and

(f) Mortgagor has the right to execute and deliver this Mortgage and perform its terms.

4. Restrictions on Future Agreements. Mortgagor agrees that until Borrower's Liabilities shall have been satisfied in full and the Loan Agreement shall have been terminated, Mortgagor shall not sell or assign its interest in, or grant any license under, the Trademarks, or enter into any other agreement with respect to the Trademarks which is inconsistent with Borrower's Liabilities under this Mortgage, without the prior written consent of Mortgagee, and Mortgagor further agrees that it shall not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights transferred to Mortgagee under this Mortgage.

5. New Trademarks. Mortgagor represents and warrants that the Trademarks listed on Exhibit A constitute all of the Trademarks now owned by Mortgagor. If, before Borrower's Liabilities shall have been satisfied in full or before the Loan Agreement has been terminated, Mortgagor shall (i) obtain rights to any new Trademarks, or (ii) become entitled

to the benefit of any Trademarks or any improvement on any , the provisions of this Mortgage shall automatically apply thereto and Mortgagor shall give to Mortgagee prompt written notice thereof. Mortgagor hereby authorizes Mortgagee to modify this Mortgage by amending Exhibit A to include any such Trademarks.

6. Royalties; Term. The term of the mortgages granted herein shall extend until the earlier of (i) the expiration of each of the respective Trademarks assigned hereunder, and (ii) the date upon which all of Borrower's Liabilities have been paid in full and the Loan Agreement has been terminated. Upon the occurrence of an Event of Default, Mortgagor agrees that the use by Mortgagee of all Trademarks shall be worldwide and without any liability for royalties or other related charges from Mortgagee to Mortgagor.

7. Grant of Trademarks to Mortgagor. Unless and until an Event of Default shall have occurred, Mortgagee hereby grants to Mortgagor the exclusive, nontransferable right and license to use the Trademarks in the ordinary course of its business and to make, have made, use and sell the inventions disclosed and claimed for Mortgagor's own benefit and account. Mortgagor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Mortgagor in this Section 7, without the prior written consent of Mortgagee. Upon the occurrence of an Event of Default, Mortgagor's license with respect to the Trademarks set forth in this Section 7 shall terminate forthwith.

8. Mortgagee's Right to Inspect. Mortgagee shall have the right, at any time and from time to time during normal business hours and prior to payment in full of Borrower's Liabilities and termination of the Loan Agreement, to inspect Mortgagor's premises and to examine Mortgagor's books, records and operations, including, without limitation, Mortgagor's quality control processes. Mortgagor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof and (ii) to provide Mortgagee, upon Mortgagee's request from time to time, with a certificate of an officer of Mortgagor certifying Mortgagor's compliance with the foregoing. Upon the occurrence of an Event of Default, Mortgagor agrees that Mortgagee, or a conservator appointed by Mortgagee, shall have the right to establish such additional product quality controls as Mortgagee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Mortgagor under the Trademarks.

9. Release of Mortgage. This Mortgage is made for collateral purposes only. Upon payment in full of Borrower's Liabilities and termination of the Loan Agreement, Mortgagee shall execute and deliver to Mortgagor all deeds, assignments and other instruments, and shall take such other actions, as may be necessary or proper to re-vest in Mortgagor full title to the Trademarks, subject to any disposition thereof which may have been made by Mortgagee pursuant hereto or pursuant to the Loan Agreement.

10. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Mortgagor. All fees, costs and expenses, of whatever kind or nature, including attorneys' and paralegals' fees and legal expenses, incurred by Mortgagee in connection with the filing or recording of any documents (including all taxes

in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne by and paid by Mortgagor on demand by Mortgagee and until so paid shall be added to the principal amount of Borrower's Liabilities and shall bear interest at the highest rate applicable to the Loans from time to time.

11. Duties of Mortgagor. To the extent deemed necessary in the exercise of Mortgagor's reasonable business judgment, Mortgagor shall have the duty (i) to prosecute diligently any , trademark or service mark applications pending as of the date hereof or thereafter until Borrower's Liabilities shall have been paid in full, (ii) to make application on Trademarks and service marks, as appropriate, (iii) to preserve and maintain all rights in the Trademarks, and (iv) to ensure that the Trademarks are and remain enforceable. Any expenses incurred in connection with Mortgagor's obligations under this Section 11 shall be borne by Mortgagor. To the extent deemed necessary in the exercise of Mortgagor's reasonable business judgment, Mortgagor shall not abandon any right to file a Trademark or service mark application, or abandon any pending application, or any other Trademark without the written consent of Mortgagee.

12. Mortgagee's Right to Sue. After the occurrence of an Event of Default, Mortgagee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks, and, if Mortgagee shall commence any such suit, Mortgagor shall, at the request of Mortgagee, do any and all lawful acts and execute any and all proper documents required by Mortgagee in aid of such enforcement and Mortgagor shall promptly, upon demand, reimburse and indemnify Mortgagee for all costs and expenses incurred by Mortgagee in the exercise of its rights under this Section 12.

13. Waivers. No course of dealing between Mortgagor and Mortgagee, nor any failure to exercise, nor any delay in exercising, on the part of Mortgagee, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. Severability. The provisions of this Mortgage 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 Mortgage in any jurisdiction.

15. Modification. This Mortgage cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

16. Cumulative Remedies; Power of Attorney; Effect on Loan Agreement. All of Mortgagee's rights and remedies with respect to the Trademarks, whether established

hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Upon the occurrence of an Event of Default, Mortgagor hereby authorizes Mortgagee to make, constitute and appoint any officer or agent of Mortgagee as Mortgagee may select, in its sole discretion, as Mortgagor's true and lawful attorney-in-fact, with power to (i) endorse Mortgagor's name on all applications, documents, papers and instruments necessary or desirable for Mortgagee in the use of the Trademarks, (ii) take any other actions with respect to the Trademarks as Mortgagee deems to be in its best interest, (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Mortgagor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until Borrower's Liabilities shall have been paid in full and the Loan Agreement has been terminated. Mortgagor acknowledges and agrees that this Mortgage is not intended to limit or restrict in any way the rights and remedies of Mortgagee under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies. Mortgagee shall have, in addition to all other rights and remedies given it by the terms of this Mortgage and the Loan Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code (or such other applicable law) as enacted in any jurisdiction in which the Trademarks may be located.

17. Binding Effect; Benefits. This Mortgage shall be binding upon Mortgagor and its successors and permitted assigns, and shall inure to the benefit of Mortgagee, its successors, nominees and assigns.

18. GOVERNING LAW. THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

19. CONSENT TO FORUM AND WAIVERS. MORTGAGOR HEREBY CONSENTS AND AGREES THAT THE STATE AND FEDERAL COURTS IN ILLINOIS SHALL HAVE NONEXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES WITH RESPECT TO THIS MORTGAGE AND WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED ON IMPROPER VENUE OR FORUM NON CONVENIENS TO THE CONDUCT OF ANY PROCEEDING IN ANY SUCH COURT AND CONSENTS THAT ALL SERVICE OF PROCESS UPON MORTGAGOR BE MADE BY REGISTERED MAIL OR MESSENGER DIRECTED TO MORTGAGOR AT THE ADDRESS SET FORTH AT THE BEGINNING OF THIS MORTGAGE AND THAT SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT THEREOF. MORTGAGOR HEREBY AGREES THAT ANY CLAIM OR DISPUTE BROUGHT BY MORTGAGOR AGAINST MORTGAGEE OR ANY MATTER ARISING OUT OF THIS MORTGAGE SHALL BE BROUGHT EXCLUSIVELY IN THE STATE AND FEDERAL COURTS IN COOK COUNTY, ILLINOIS. MORTGAGOR HEREBY WAIVES, TO THE EXTENT PERMITTED BY LAW, TRIAL BY JURY. NOTHING CONTAINED HEREIN SHALL AFFECT THE RIGHT OF MORTGAGEE TO SERVE LEGAL PROCESS IN ANY OTHER MANNER

PERMITTED BY LAW OR AFFECT THE RIGHT OF MORTGAGEE TO BRING ANY ACTION OR PROCEEDING AGAINST MORTGAGOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION.

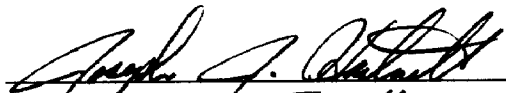
20. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

21. Further Assurances. Mortgagor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Mortgagee shall reasonably request from time to time in order to carry out the purpose of this Mortgage and agreements set forth herein.

22. Survival of Representations. All representations and warranties of Mortgagor contained in this Mortgage shall survive the execution and delivery of this Mortgage and shall be remade on the date of each borrowing under the Loan Agreement.

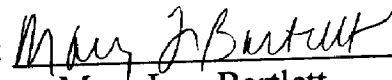
IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage in favor of Mortgagee as of the date first written above.

U.S. ROBOTICS CORPORATION

By: 
Name: JOSEPH J. HARTNETT
Its: CFO

AGREED AND ACCEPTED THIS
22 day of June, 2001.

LASALLE BANK NATIONAL ASSOCIATION

By: 
Name: Mary Lou Bartlett
Its: Senior Vice President

STATE OF ILLINOIS

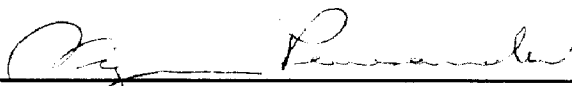
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COUNTY OF COOK

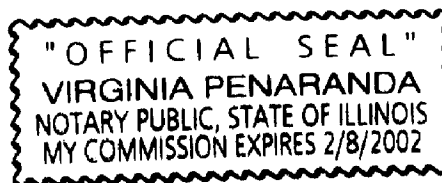
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The foregoing Trademark Mortgage was executed and acknowledged before me this 22nd day of June, 2001, by Mary Lou Bartlett, personally known to me to be the Senior Vice President of **LASALLE BANK NATIONAL ASSOCIATION**, on behalf of such national banking association.



Notary Public

My Commission expires:



AFTER FILING RETURN THIS INSTRUMENT TO:

James B. Gottlieb
Chuhak & Tecson
225 West Washington Street
Suite 1300
Chicago, Illinois 60606

EXHIBIT A

Trademarks

TRADEMARK	FEDERAL REGISTRATION NUMBER	REGISTRATION DATE
U.S. Robotics	2,416,145	