



11-13-2001

11-19-2001



ET U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

OMB NO. 0031-0021 (exp. 5/31/2002)

Tab settings

101897546

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

1. Name of conveying party(ies):

Xmarc, Inc.
8320 Old Courthouse Road, Suite 401
Vienna, VA 22182

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

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

3. Nature of conveyance:

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

Execution Date: **September 30, 2001**

2. Name and address of receiving party(ies)

Name: **HPI Holding SA**

Internal

Address:

Street Address: **5, rue Perdtemps**

City: **1260 NYON** State: **Switzerland** Zip:

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State

Other **Swiss Company**

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 registration number(s):

A. Trademark Application No.(s) **76-227,252**

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

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

Name: **Sonnenschein Nath & Rosenthal**

Internal Address: **Fred L. Levy, Esq.**

Street Address: **1301 K Street, NW**

Suite 600, East Tower

City: **Washington** State: **DC** Zip: **20005**

6. Total number of applications and registrations involved: **8**

7. Total fee (37 CFR 3.41).....\$ **215**

Enclosed **Check**

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.

Anne M. Bertsch

Name of Person Signing

Signature

11/13/01

Date

Total number of pages including cover sheet, attachments, and document: **10**

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

11/19/2001 TDIAZI 00000016 76227252

01 FC:481
02 FC:482

40.00 DP
175.00 DP

TRADEMARK
REEL: 002396 FRAME: 0902

Designation of Domestic Representative

HPI Holding SA, a Swiss company ("HPI"), does hereby appoint the firm of Sonnenschein Nath & Rosenthal as Assignee's domestic representative upon whom notice of process may be served in proceedings affecting the marks set forth on Schedule 1 hereto. The address for Sonnenschein Nath & Rosenthal is: 1301 K Street, NW, Suite 600 East Tower, Washington DC 20005, Attn: Fred L. Levy, Esq.

76-227252

HPI HOLDING SA

By: 

Name: DENIS GONSETH

Its: PRESIDENT & CEO


STEPHANE CRETTER

CFO

**Schedule 1
(Xmarc, Inc.)**

LIST OF TRADEMARKS

	Trademark Title	Application Number
2	XMARC and Design	76-135,056
3	XMARC	76-134,450
4	WIISE	76-226,907
5	WIRELESS & INTERNET INFRASTRUCTURE SOFTWARE ENVIRONMENT	76-226,906
6	WIISE	76-192,265
7	WIRELESS & INTERNET INFRASTRUCTURE SOFTWARE ENVIRONMENT	76-192,264
8	Design only	76-135,071

TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

This Trademark Collateral Assignment and Security Agreement ("Agreement") is made as of September 30, 2001, by and between Xmarc, Inc., a Delaware corporation ("Borrower") and HPI Holding SA, a Swiss company ("Lender").

W I T N E S S E T H:

WHEREAS, Borrower has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Exhibit A hereto and made a part hereof; and

WHEREAS, Lender and Borrower have entered into the Bridge Loan and Security Agreement, dated as of the date hereof (as amended, the "Loan Agreement") pursuant to which Lender may make loans and advances to Borrower, and other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, (collectively, as amended, "Financing Agreements"); and

WHEREAS, in order to induce Lender to enter into the Loan Agreement and the other Financing Agreements, Borrower has agreed to grant to Lender certain collateral security as set forth herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby agrees as follows:

1. Grant of Security Interest. As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Borrower hereby grants to Lender a continuing security interest in and a general lien upon, and hereby collaterally assigns to Lender: (a) all of Borrower's now existing or hereafter acquired right, title, and interest in and to: all of Borrower's trademarks, trade names, tradestyles and service marks; all prints and labels on which said trademarks, trade names, tradestyles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, service marks, terms, designs and applications described in Exhibit A hereto (the "Trademarks"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (c) any and all proceeds of any of the foregoing, including, without limitation, any claims by Borrower against third parties for infringement of the Trademarks or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

2. Obligations Secured. The security interest, lien and other interests granted to Lender pursuant to this Agreement shall secure the prompt performance, observance and indefeasible payment in full of any and all loans, indebtedness, liabilities, obligations, covenants and duties of Borrower to Lender, of every kind, nature and description arising under or relating to this Agreement, the Loan Agreement, the other Financing Agreements, or transactions hereunder or any of the foregoing, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether arising under this Agreement, the Loan Agreement, the other Financing Agreements or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Borrower under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, original, renewed or extended and whether arising directly or acquired from others, and including, without limitation, each Lender's charges, commissions, interest, expenses, costs and attorneys' fees chargeable to Borrower (all hereinafter referred to as "Obligations").

3. Covenants of Borrower. Borrower hereby covenants with and to Lender the following (all of such covenants being continuing so long as any of the Obligations are outstanding):

a. Borrower shall not file any application for the registration of a Trademark with the United States Patent and Trademark office or any similar office or agency in the United States, any state therein, or any other country, unless Borrower has by thirty (30) days prior written notice informed Lender of such action.

b. Borrower will render any assistance necessary to Lender in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks as Borrower's exclusive property and to protect Lender's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

c. Borrower will promptly notify Lender if Borrower (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark. If requested by Lender, Borrower, at Borrower's expense, shall join with Lender in such action as Lender, in its discretion, may deem advisable for the protection of Lender's interest in and to the Trademarks.

d. Borrower assumes all responsibility and liability arising from the use of the Trademarks and Borrower hereby indemnifies and holds Lender and each Lender harmless from and against any claim, suit, loss, damage, or expense (including attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Borrower (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Borrower (or any affiliate or subsidiary thereof).

e. Borrower will promptly pay Lender for any and all costs and reasonable expenditures incurred by Lender, pursuant to the provisions of this Agreement or for the defense, protection, or enforcement of the Obligations, the Collateral, or the security interests granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and reasonable attorneys' fees and reasonable legal expenses. Such costs and reasonable expenditures shall be payable on demand, together with interest at the then highest applicable rate set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

4. Events of Default. All Obligations shall become immediately due and payable, without notice or demand, at the option of Lender, upon the occurrence of any Event of Default (as defined in the Loan Agreement).

5. Rights and Remedies. Immediately, upon the occurrence of any Event of Default, and during the continuance thereof, in addition to all other rights and remedies of Lender, whether provided under law, this Agreement, the Loan Agreement, the other Financing Agreements, or otherwise, Lender shall have the following rights and remedies which may be exercised without notice to, or consent by, Borrower, except as such notice or consent is expressly provided for hereunder:

a. Lender may require that neither Borrower nor any affiliate or subsidiary of Borrower make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Lender may make use of any Trademarks on a royalty-free basis for the sale of goods, completion of work in process or rendering of services in connection with enforcing any other security interest granted to Lender by Borrower or any subsidiary of Borrower.

b. Lender may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Lender shall in its discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

c. Lender may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Borrower of intended disposition of Collateral is required by law, the giving of notice in the manner set forth in Section 6(b) hereof shall be deemed reasonable notice thereof and Borrower waives any other notice with respect thereto. Lender shall have the power to buy the Collateral or any part thereof, and Lender shall also have the power to execute assurances and perform all other acts which Lender may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition.

d. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to Section 5(c) hereof, Lender may at any time execute and deliver on behalf of Borrower, pursuant to the authority granted in the Loan Agreement, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Borrower agrees to pay Lender on demand all costs incurred in any such transfer of the

Collateral, including, but not limited to, any taxes, fees, legal expenses and reasonable attorneys' fees and legal expenses.

e. Lender may first apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral to the costs and expenses thereof, including, without limitation, attorneys' fees and all legal, travel and other expenses which may be incurred by Lender. Thereafter, Lender may apply any remaining proceeds to such of the Obligations as Lender may in its discretion determine. Borrower shall remain liable to Lender for any expenses or obligations remaining unpaid after the application of such proceeds, and Borrower will pay Lender on demand any such unpaid amount, together with interest at a rate equal to the highest rate then payable on the Obligations.

f. Borrower shall supply to Lender or its designee, Borrower's knowledge and expertise relating to the manufacture and sale of the products and rendition of services bearing or sold under the Trademarks and Borrower's customer lists and other records relating to the Trademarks and the distribution thereof.

g. Nothing contained herein shall be construed as requiring Lender to take any such action at any time. All of Lender's rights and remedies, whether provided under law, this Agreement, the Loan Agreement, the other Financing Agreements, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. Miscellaneous.

a. Cooperation by Borrower. At any time and from time to time after the date hereof, Borrower shall, upon the request of Lender and at the expense of Borrower do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, transfers, conveyances, or assurances as may be reasonably required for the better confirming to Lender its rights hereunder and under the Loan Agreement and the other Financing Agreements.

b. Notices. All notices required hereunder shall be in writing and shall be deemed to have been duly given by the parties if addressed and delivered in accordance with the provisions of the Loan Agreement.

c. Assignment; Binding on Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of all of the parties hereto, but shall not be assignable by either party without the prior written consent of the other except that Lender may assign this Agreement in connection with an assignment of the Loan Agreement.

d. Waiver. Waiver by Lender or Borrower of any breach of or failure to comply with any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of, or failure to comply with any other provision.

e. Applicable Law; Legal Fees. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York (without giving effect to the principles of conflicts of law thereof), and Borrower agrees to pay the reasonable fees and disbursements of counsel in connection with the enforcement of this Agreement and the Note.

f. Consent to Jurisdiction and Service of Process. The parties agree that any action relating in any way to or arising under this Agreement, the Note or any related documents contemplated herein may be instituted and prosecuted non-exclusively in the federal or state courts of competent jurisdiction located within New York, New York and both parties consent to personal jurisdiction in such courts and service of process by mail to the address set forth in Section 11 of the Loan Agreement.

g. JURY TRIAL WAIVER. THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY DISPUTE ARISING UNDER OR IN ANY WAY RELATED TO THIS AGREEMENT, THE NOTE OR RELATED DOCUMENTS.

h. Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.

i. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which will constitute on and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Collateral Assignment and Security Agreement as of the date first above written.

Denis Rouman
Denis Rouman
Director

Xmarc, Inc.

Priscilla Collins Davies
By: **PRISCILLA COLLINS DAVIES**
Its: **CHAIRMAN**

HPI Holding SA

Denise Gouseth
By: **DENISE GOUSETH**
Its: **PRESIDENT & CEO**

Stephane Crettez
STEPHANE CRETTEZ
CFO

Exhibit A
to
Trademark Collateral Assignment
and Security Agreement

Registrations

<u>Mark</u>	<u>Registration No.</u>
FORMIDA FIRE	2,327,260
FORMIDA	2,166,359

Applications

<u>Mark</u>	<u>Application No.</u>
XMARC, INC.	76-227,252
XMARC and Design	76-135,056
XMARC	76-134,450
WIISE	76-226,907
WIRELESS & INTERNET INFRASTRUCTURE SOFTWARE ENVIRONMENT	76-226,906
WIISE	76-192,265
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Design only	76-135,071

Schedule 1
(Xmarc, Inc.)


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HPI Holding SA, a Swiss company ("HPI"), does hereby appoint the firm of Sonnenschein Nath & Rosenthal as Assignee's domestic representative upon whom notice of process may be served in proceedings affecting the marks set forth on Schedule 1 hereto. The address for Sonnenschein Nath & Rosenthal is: 1301 K Street, NW, Suite 600 East Tower, Washington DC 20005, Attn: Fred L. Levy, Esq.

HPI HOLDING SA

By: 
Name: DENIS BONSETH STEPHANE CRETIER
Its: PRESIDENT & CEO CFO

Schedule 1

Marks

Registrations

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WITNESSETH:

WHEREAS, Borrower has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Exhibit A hereto and made a part hereof; and

WHEREAS, Lender and Borrower have entered into the Bridge Loan and Security Agreement, dated as of the date hereof (as amended, the "Loan Agreement") pursuant to which Lender may make loans and advances to Borrower, and other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, (collectively, as amended, "Financing Agreements"); and

WHEREAS, in order to induce Lender to enter into the Loan Agreement and the other Financing Agreements, Borrower has agreed to grant to Lender certain collateral security as set forth herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby agrees as follows:

1. Grant of Security Interest. As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Borrower hereby grants to Lender a continuing security interest in and a general lien upon, and hereby collaterally assigns to Lender: (a) all of Borrower's now existing or hereafter acquired right, title, and interest in and to: all of Borrower's trademarks, trade names, tradestyles and service marks; all prints and labels on which said trademarks, trade names, tradestyles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, service marks, terms, designs and applications described in Exhibit A hereto (the "Trademarks"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (c) any and all proceeds of any of the foregoing, including, without limitation, any claims by Borrower against third parties for infringement of the Trademarks or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

2. Obligations Secured. The security interest, lien and other interests granted to Lender pursuant to this Agreement shall secure the prompt performance, observance and indefeasible payment in full of any and all loans, indebtedness, liabilities, obligations, covenants and duties of Borrower to Lender, of every kind, nature and description arising under or relating to this Agreement, the Loan Agreement, the other Financing Agreements, or transactions hereunder or any of the foregoing, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether arising under this Agreement, the Loan Agreement, the other Financing Agreements or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Borrower under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, original, renewed or extended and whether arising directly or acquired from others, and including, without limitation, each Lender's charges, commissions, interest, expenses, costs and attorneys' fees chargeable to Borrower (all hereinafter referred to as "Obligations").

3. Covenants of Borrower. Borrower hereby covenants with and to Lender the following (all of such covenants being continuing so long as any of the Obligations are outstanding):

a. Borrower shall not file any application for the registration of a Trademark with the United States Patent and Trademark office or any similar office or agency in the United States, any state therein, or any other country, unless Borrower has by thirty (30) days prior written notice informed Lender of such action.

b. Borrower will render any assistance necessary to Lender in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks as Borrower's exclusive property and to protect Lender's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

c. Borrower will promptly notify Lender if Borrower (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark. If requested by Lender, Borrower, at Borrower's expense, shall join with Lender in such action as Lender, in its discretion, may deem advisable for the protection of Lender's interest in and to the Trademarks.

d. Borrower assumes all responsibility and liability arising from the use of the Trademarks and Borrower hereby indemnifies and holds Lender and each Lender harmless from and against any claim, suit, loss, damage, or expense (including attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Borrower (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Borrower (or any affiliate or subsidiary thereof).

- 2 -


TWO SIGNATURES REQUIRED IF AMOUNT EXCEEDS \$500

⑈ 308035⑈

⑈ 031100209⑈

38857878⑈

TRADEMARK

REEL: 002396 FRAME: 0916

e. Borrower will promptly pay Lender for any and all costs and reasonable expenditures incurred by Lender, pursuant to the provisions of this Agreement or for the defense, protection, or enforcement of the Obligations, the Collateral, or the security interests granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and reasonable attorneys' fees and reasonable legal expenses. Such costs and reasonable expenditures shall be payable on demand, together with interest at the then highest applicable rate set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

4. Events of Default. All Obligations shall become immediately due and payable, without notice or demand, at the option of Lender, upon the occurrence of any Event of Default (as defined in the Loan Agreement).

5. Rights and Remedies. Immediately, upon the occurrence of any Event of Default, and during the continuance thereof, in addition to all other rights and remedies of Lender, whether provided under law, this Agreement, the Loan Agreement, the other Financing Agreements, or otherwise, Lender shall have the following rights and remedies which may be exercised without notice to, or consent by, Borrower, except as such notice or consent is expressly provided for hereunder:

a. Lender may require that neither Borrower nor any affiliate or subsidiary of Borrower make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Lender may make use of any Trademarks on a royalty-free basis for the sale of goods, completion of work in process or rendering of services in connection with enforcing any other security interest granted to Lender by Borrower or any subsidiary of Borrower.

b. Lender may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Lender shall in its discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

c. Lender may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Borrower of intended disposition of Collateral is required by law, the giving of notice in the manner set forth in Section 6(b) hereof shall be deemed reasonable notice thereof and Borrower waives any other notice with respect thereto. Lender shall have the power to buy the Collateral or any part thereof, and Lender shall also have the power to execute assurances and perform all other acts which Lender may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition.

d. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to Section 5(c) hereof, Lender may at any time execute and deliver on behalf of Borrower, pursuant to the authority granted in the Loan Agreement, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Borrower agrees to pay Lender on demand all costs incurred in any such transfer of the

Collateral, including, but not limited to, any taxes, fees, legal expenses and reasonable attorneys' fees and legal expenses.

e. Lender may first apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral to the costs and expenses thereof, including, without limitation, attorneys' fees and all legal, travel and other expenses which may be incurred by Lender. Thereafter, Lender may apply any remaining proceeds to such of the Obligations as Lender may in its discretion determine. Borrower shall remain liable to Lender for any expenses or obligations remaining unpaid after the application of such proceeds, and Borrower will pay Lender on demand any such unpaid amount, together with interest at a rate equal to the highest rate then payable on the Obligations.

f. Borrower shall supply to Lender or its designee, Borrower's knowledge and expertise relating to the manufacture and sale of the products and rendition of services bearing or sold under the Trademarks and Borrower's customer lists and other records relating to the Trademarks and the distribution thereof.

g. Nothing contained herein shall be construed as requiring Lender to take any such action at any time. All of Lender's rights and remedies, whether provided under law, this Agreement, the Loan Agreement, the other Financing Agreements, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. Miscellaneous.

a. Cooperation by Borrower. At any time and from time to time after the date hereof, Borrower shall, upon the request of Lender and at the expense of Borrower do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, transfers, conveyances, or assurances as may be reasonably required for the better confirming to Lender its rights hereunder and under the Loan Agreement and the other Financing Agreements.

b. Notices. All notices required hereunder shall be in writing and shall be deemed to have been duly given by the parties if addressed and delivered in accordance with the provisions of the Loan Agreement.

c. Assignment; Binding on Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of all of the parties hereto, but shall not be assignable by either party without the prior written consent of the other except that Lender may assign this Agreement in connection with an assignment of the Loan Agreement.

d. Waiver. Waiver by Lender or Borrower of any breach of or failure to comply with any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of, or failure to comply with any other provision.

e. Applicable Law; Legal Fees. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York (without giving effect to the principles of conflicts of law thereof), and Borrower agrees to pay the reasonable fees and disbursements of counsel in connection with the enforcement of this Agreement and the Note.

f. Consent to Jurisdiction and Service of Process. The parties agree that any action relating in any way to or arising under this Agreement, the Note or any related documents contemplated herein may be instituted and prosecuted non-exclusively in the federal or state courts of competent jurisdiction located within New York, New York and both parties consent to personal jurisdiction in such courts and service of process by mail to the address set forth in Section 11 of the Loan Agreement.

g. JURY TRIAL WAIVER. THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY DISPUTE ARISING UNDER OR IN ANY WAY RELATED TO THIS AGREEMENT, THE NOTE OR RELATED DOCUMENTS.

h. Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.

i. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which will constitute on and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Expéd. : Neptune Technology Advisors;

021 824 2104;

12-NOV-01 15:10;

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Collateral Assignment and Security Agreement as of the date first above written.

Denis Roman
Denis Roman
Director

Xmarc, Inc.

Prays Colton Davis
By: **PRAYS COLTON DAVIES**
Its: **CHAIRMAN**

HPI Holding SA

Denis Gouseth
By: **DENIS GOUSETH**
Its: **PRESIDENT & CEO**

Stephane Cretex
STEPHANE CRETTEX
CFO

Exhibit A
to
Trademark Collateral Assignment
and Security Agreement

Registrations

<u>Mark</u>	<u>Registration No.</u>
FORMIDA FIRE	2,327,260
FORMIDA	2,166,359

Applications

<u>Mark</u>	<u>Application No.</u>
XMARC, INC.	76-227,252
XMARC and Design	76-135,056
XMARC	76-134,450
WIISE	76-226,907
WIRELESS & INTERNET INFRASTRUCTURE SOFTWARE ENVIRONMENT	76-226,906
WIISE	76-192,265
WIRELESS & INTERNET INFRASTRUCTURE SOFTWARE ENVIRONMENT	76-192,264
Design only	76-135,071

Schedule 1

Marks

Registrations

<u>Mark</u>	<u>Registration No.</u>
FORMIDA FIRE	2,327,260
FORMIDA	2,166,359

Applications

<u>Mark</u>	<u>Application No.</u>
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