

12-20-2001



101922357

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

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

1. Name of conveying party(ies):

Innuity, Inc. 12-12-01 1712 Hopkins Crossroad Minnetonka, MN 55305

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

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

2. Name and address of receiving party(ies)

Name: PNC Bank, N.A., as Agent

Internal Address:

Street Address: 222 Delaware Avenue, 18th Fl.

City: Wilmington State: DE Zip: 19801

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

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other Reaffirmation Of Patent, Trademark and Copyright Security Agreement

Execution Date: 11-20-01

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

A. Trademark Application No.(s) 76/074,812 75/854,193 75/853,258 75/854,192 75/854,161

B. Trademark Registration No.(s)

2,182,006 and 2,206,622

Additional number(s) attached Yes No

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

Name: Lauren Lonergan Taylor, Esquire DUANE MORRIS & HECKSCHER LLP

Internal Address:

Street Address: 4200 One Liberty Place

City: Philadelphia State: PA Zip: 19103

6. Total number of applications and registrations involved: 7

7. Total fee (37 CFR 3.41): \$ 190.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. Statement and signature.

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

Lauren Lonergan Taylor, Esquire

Name of Person Signing

Signature

Date

12-12-01

12/19/2001 DBYRNE 00000151 76074812

Total number of pages including cover sheet, attachments, and document: 15

01 FC:481 02 FC:482

40.00 OP All documents to be recorded with required cover sheet information to: 150.00 OP Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002410 FRAME: 0242

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

Continuation of 1. Name of conveying parties:

Innuity Acquisition Corp.
1712 Hopkins Crossroad
Minnetonka, MN 55305

Merchant Commerce, Inc.
12424 Wilshire Blvd., Suite 1120
Los Angeles, CA 90025

:

**REAFFIRMATION OF PATENT, TRADEMARK AND
COPYRIGHT SECURITY AGREEMENT**

This REAFFIRMATION OF PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT ("Reaffirmation") dated as of November 20, 2001 is made by Innuity, Inc. (the "Borrower"), Merchant Commerce, Inc. and Innuity Acquisition Corp. (collectively, the "Guarantors") in favor of PNC BANK, National Association, as agent (the "Bank") for the banks (the "Participants") who may from time to time be party to the Loan Agreement (as hereinafter defined).

BACKGROUND

A. The Borrower, the Guarantors, the Bank, and the Participants are parties to that certain Loan Agreement dated as of April 23, 2001 (as modified from time to time, the "Loan Agreement"), pursuant to which the Bank agreed to make available to the Borrower various credit facilities upon the terms and conditions specified in the Loan Agreement.

B. On April 23, 2001, the Guarantors executed a Continuing Agreement of Guaranty and Suretyship in favor of the Bank (the "Guaranty") guaranteeing all of the obligations of the Borrower under the Loan Agreement and the other Loan Documents (as such term is defined in the Loan Agreement).

C. In order to secure (i) all of the Borrower's obligations to the Bank under, *inter alia*, the Loan Agreement; and (ii) all of the Guarantors' obligations to the Bank under, *inter alia*, the Guaranty, the Borrower and the Guarantors (collectively, the "Debtors") executed in favor of the Bank that certain Patent, Trademark and Copyright Security Agreement dated as of April 23, 2001 (the "Intellectual Property Security Agreement").

D. Upon the request of the Borrower, the Bank has agreed, upon certain terms and conditions, to amend the Loan Agreement as more fully set forth in that certain Amendment To Loan Agreement dated as of the date hereof by and among the Borrower, the Guarantors, the Participants and the Bank (the "Amendment;" together with all agreements, instruments and documents executed in connection therewith, collectively, are referred to herein as the "Amendment Documents").

E. In order to induce the Bank to enter into the Amendment Documents, the Debtors have agreed to reaffirm their covenants and agreements under the Intellectual Property Security Agreement in accordance with the provisions hereof.

F. The Debtors have determined that their execution, delivery and performance of this Reaffirmation is in their best interests.

G. All terms capitalized but not defined herein shall have the meanings ascribed to them in the Intellectual Property Security Agreement.

NOW, THEREFORE, the parties hereto, incorporating the foregoing by reference, and intending to be legally bound, agree as follows:

1. The Debtors acknowledge and consent to the terms and conditions set forth in the Amendment Documents.

2. The Debtors hereby acknowledge and consent to the terms and conditions set forth in the Loan Agreement and the Loan Documents, all as amended by the Amendment Documents, and hereby ratify, affirm and reaffirm in all respects the Intellectual Property Security Agreement, including, without limitation, all terms, conditions, representations and covenants in the Intellectual Property Security Agreement.

3. All references to the Intellectual Property Security Agreement in the Loan Agreement, and any of the other documents executed in connection therewith shall be deemed to refer to the Intellectual Property Security Agreement as amended through the date hereof and as it may be amended in the future.

4. The Debtors hereby agree to do any and all such further acts, and to execute and/or deliver to and for the benefit of the Bank any and all additional documents that may be required for the Bank to perfect its interests hereunder.

5. The Debtors hereby acknowledge the continued-existence, validity and enforceability of the Intellectual Property Security Agreement, and acknowledge that the Bank holds a perfected security interest in the Patents, Trademarks and Copyrights to secure the Secured Obligations, under, *inter alia*, the Loan Agreement and Loan Documents, and agree that the terms, conditions, representations and covenants contained in the Intellectual Property Security Agreement are binding upon them.

6. This Reaffirmation shall be construed in accordance with and governed by the substantive laws of the Commonwealth of Pennsylvania without reference to conflict of law principles.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Reaffirmation of Patent, Trademark and Copyright Security Agreement as of the day and year first above written.

Attest:

INNUIITY, INC.

By: _____
Title: _____

By:  _____
Title: CEO _____

Attest:

MERCHANT COMMERCE, INC.

By: _____
Title: _____

By:  _____
Title: CEO _____

Attest:

INNUIITY ACQUISITION CORP.

By: _____
Title: _____

By:  _____
Title: CEO _____

Witness:

PNC BANK, National Association, as Agent

By: _____
Title: _____

By: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Reaffirmation of Patent, Trademark and Copyright Security Agreement as of the day and year first above written.

Attest:

INNUIITY, INC.

By: _____
Title: _____

By: _____
Title: _____

Attest:

MERCHANT COMMERCE, INC.

By: _____
Title: _____

By: _____
Title: _____

Attest:

INNUIITY ACQUISITION CORP.

By: _____
Title: _____

By: _____
Title: _____

Witness:

PNC BANK, National Association, as Agent

By: Michelle Faust
Title: Administrative Assistant

By: [Signature]
Title: Vice President

PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

This Patent, Trademark and Copyright Security Agreement (the "Agreement"), dated as of April 23, 2001, is entered into by and among Innuity, Inc., a Minnesota corporation, Merchant Commerce, Inc., a California corporation, Innuity Acquisition Corp., a Delaware corporation (each, a "Pledgor" and collectively, the "Pledgors"), and PNC Bank, National Association, as Agent for the Banks referred to below (the "Secured Party").

WHEREAS, pursuant to that certain Loan Agreement (as amended, restated, modified or supplemented from time to time, the "Credit Agreement") of even date herewith by and among the Borrower, the Guarantors from time to time party thereto, the Banks from time to time party thereto and the Secured Party, Secured Party and the Banks have agreed to provide certain loans to the Borrower, and the Pledgors have agreed, among other things, to grant a security interest to the Secured Party in certain patents, trademarks, copyrights and other property as security for such loans and other obligations as more fully described herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Except as otherwise expressly provided herein, capitalized terms used in this Agreement shall have the respective meanings given to them in the Credit Agreement, including any Riders thereto.

2. To secure the full payment and performance of all Obligations and other liabilities of the Borrower now or hereafter existing under the Credit Agreement and the other Loan Documents, including, without limitation, principal, interest, fees, expenses, costs and expenses of enforcement, reasonable attorney's fees and expenses, and obligations under indemnification provisions in the Loan Documents (collectively, the "Secured Obligations"), each Pledgor hereby grants, and conveys a security interest to Secured Party in the entire right, title and interest of such Pledgor in and to all trade names, patent applications, patents, trademark applications, trademarks and copyrights, whether now owned or hereafter acquired by such Pledgor, including, without limitation, those listed on Schedule A hereto, including all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business to which any of the patents, trademarks and copyrights relate (collectively, the "Patents, Trademarks and Copyrights").

3. Each Pledgor covenants and warrants that:

(a) the Patents, Trademarks and Copyrights are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) to the best of such Pledgor's knowledge, each of the Patents, Trademarks and Copyrights is valid and enforceable;

(c) except as set forth in Schedule B hereto, such Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Copyrights, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by such Pledgor not to sue third persons;

(d) such Pledgor has the corporate power and authority to enter into this Agreement and perform its terms;

(e) no claim has been made to such Pledgor or, to such the knowledge of such Pledgor, any other person that the use of any of the Patents, Trademarks and Copyrights does or may violate the rights of any third party;

(f) such Pledgor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under the Patents, Trademarks and Copyrights; and

(g) such Pledgor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Patents, Trademarks and Copyrights, except for those Patents, Trademarks and Copyrights that are hereafter allowed to lapse in accordance with Paragraph 10 hereof.

4. Each Pledgor agrees that, until all of the Secured Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with such Pledgor's obligations under this Agreement, without Secured Party's prior written consent which shall not be unreasonably withheld except such Pledgor may license technology in the ordinary course of business without the Secured Party's consent to suppliers and customers to facilitate the manufacture and use of such Pledgor's products.

5. If, before the Secured Obligations shall have been indefeasibly satisfied in full and the Commitments have terminated, any Pledgor shall own any new trademarks or any new copyrightable or patentable inventions, or any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation in part of any Patent, Trademark or Copyright or any improvement on any Patent, Trademark or Copyright, the provisions of this Agreement shall automatically apply thereto and such Pledgor shall give to Secured Party prompt notice thereof in writing. Each Pledgor and Secured Party agree to modify this Agreement by amending Schedule A to include any future patents, patent applications, trademark applications, trademarks, copyrights or copyright applications and the provisions of this Agreement shall apply thereto.

6. Secured Party shall have, in addition to all other rights and remedies given it by this Agreement and those rights and remedies set forth in the Credit Agreement, those allowed by Law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks and Copyrights may be located and, without limiting the generality of the foregoing, if an Event of Default has occurred and is

continuing, Secured Party may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to any Pledgor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in a city that the Secured Party shall designate by notice to each Pledgor, in Pittsburgh, Pennsylvania or elsewhere, the whole or from time to time any part of the Patents, Trademarks and Copyrights, or any interest which such Pledgor may have therein and, after deducting from the proceeds of sale or other disposition of the Patents, Trademarks and Copyrights all expenses (including fees and expenses for brokers and attorneys), shall apply the remainder of such proceeds toward the payment of the Secured Obligations as the Secured Party, in its sole discretion, shall determine. Any remainder of the proceeds after payment in full of the Secured Obligations shall be paid over to such Pledgor. Notice of any sale or other disposition of the Patents, Trademarks and Copyrights shall be given to each Pledgor at least ten (10) days before the time of any intended public or private sale or other disposition of the Patents, Trademarks and Copyrights is to be made, which such Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Secured Party may, to the extent permissible under applicable Law, purchase the whole or any part of the Patents, Trademarks and Copyrights sold, free from any right of redemption on the part of such Pledgor, which right is hereby waived and released.

7. If any Event of Default shall have occurred and be continuing, each Pledgor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party, as Secured Party may select in its exclusive discretion, as such Pledgor's true and lawful attorney-in-fact, with the power to endorse Pledgor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Patents, Trademarks and Copyrights, or to grant or issue, on commercially reasonable terms, any exclusive or nonexclusive license under the Patents, Trademarks and Copyrights to any third person, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose, on commercially reasonable terms, of the Patents, Trademarks and Copyrights to any third Person. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable for the life of this Agreement. Each Pledgor acknowledges and agrees that (i) the power of attorney herein granted shall in no way be construed as to benefit such Pledgor; (ii) the Secured Party herein granted this power of attorney shall have NO duty to exercise any powers granted hereunder for the benefit of such Pledgor; and (iii) the Secured Party herein granted this power of attorney shall, to the extent exercisable, exercise any and all powers granted hereunder for the benefit of the Secured Party and the Banks. The Secured Party hereby accepts this power of attorney and all powers granted hereunder for the benefit of the Secured Party and the Banks. Each Pledgor, the Secured Party and the Banks acknowledge, agree and consent that, in accordance with the legislative intent and as allowed by 20 Pa. C.S. § 5601(a), the provisions of 20 Pa. C.S. § 5601 shall NOT apply to this power of attorney or any of the powers granted herein.

8. At such time as Pledgors shall have indefeasibly paid in full all of the Secured Obligations and the Commitments shall have terminated, this Agreement shall terminate and Secured Party shall execute and deliver to each Pledgor all deeds, assignments and other

instruments as may be necessary or proper to re-vest in such Pledgor full title to its Patents, Trademarks and Copyrights, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

9. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorney's fees and expenses incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, 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, the protection, maintenance or preservation of the Patents, Trademarks and Copyrights, or the defense or prosecution of any actions or proceedings arising out of or related to the Patents, Trademarks and Copyrights, shall be borne and paid by Pledgors, jointly and severally, within fifteen (15) days of demand by Secured Party, and if not paid within such time, shall be added to the principal amount of the Secured Obligations and shall bear interest at the highest rate prescribed in the Credit Agreement.

10. Each Pledgor shall have the duty, through counsel reasonably acceptable to Secured Party, to prosecute diligently any patent applications of the Patents, Trademarks and Copyrights pending as of the date of this Agreement if commercially reasonable or thereafter until the Secured Obligations shall have been indefeasibly paid in full and the Commitments shall have terminated, to make application on unpatented but patentable inventions (whenever it is commercially reasonable in the reasonable judgment of such Pledgor to do so) and to preserve and maintain all rights in patent applications and patents of the Patents, including without limitation the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne, jointly and severally, by Pledgors. No Pledgor shall abandon any Patent, Trademark or Copyright without the consent of Secured Party, which shall not be unreasonably withheld.

11. Each Pledgor shall have the right, with the consent of Secured Party, which shall not be unreasonably withheld, to bring suit, action or other proceeding in its own name, and to join Secured Party, if necessary, as a party to such suit so long as Secured Party is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents, Trademarks and Copyrights and any licenses thereunder. Each Pledgor shall promptly, upon demand, reimburse and indemnify Secured Party for all damages, costs and expenses, including reasonable legal fees, incurred by Secured Party as a result of such suit or joinder by such Pledgor.

12. No course of dealing between any Pledgor and Secured Party, nor any failure to exercise nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Credit Agreement or other Loan Documents shall operate as a waiver of such right, power or privilege, 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.

13. All of Secured Party's rights and remedies with respect to the Patents, Trademarks and Copyrights, whether established hereby or by the Credit Agreement or by any other agreements or by Law, shall be cumulative and may be exercised singularly or concurrently.

14. The provisions of this Agreement 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 clause or provision of this Agreement in any jurisdiction.

15. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Paragraph 5.

16. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, provided, however, that no Pledgor may assign or transfer any of its rights or obligations hereunder or any interest herein and any such purported assignment or transfer shall be null and void.

17. This Agreement shall be governed by and construed in accordance with the internal Laws of the Commonwealth of Pennsylvania without regard to its conflicts of law principles.

18. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument. Each Pledgor acknowledges and agrees that a telecopy transmission to Secured Party or any Bank of signature pages hereof purporting to be signed on behalf of any Pledgor shall constitute effective and binding execution and delivery hereof by such Pledgor.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

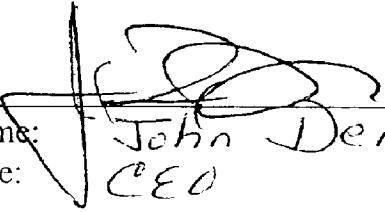
[SIGNATURE PAGE 1 OF 1 TO PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed
by their respective officers or agents thereunto duly authorized, as of the date first above written.

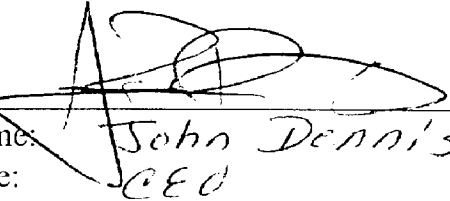
ATTEST:

INNUITY, INC.

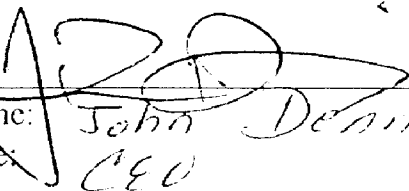
Neil P. Ayotte
Name:
Title: Secretary

By: 
Name: John Dennis
Title: CEO

MERCHANT COMMERCE, INC.

By: 
Name: John Dennis
Title: CEO

INNUITY ACQUISITION CORP.

By: 
Name: John Dennis
Title: CEO

PNC BANK, NATIONAL ASSOCIATION, as
Agent

By: _____
Name:
Title:

[SIGNATURE PAGE 1 OF 1 TO PATENT, TRADEMARK
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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed
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ATTEST:

INNUITY, INC.

Name:
Title:

By: _____
Name:
Title:

MERCHANT COMMERCE, INC.

By: _____
Name:
Title:

INNUITY ACQUISITION CORP.

By: _____
Name:
Title:

PNC BANK, NATIONAL ASSOCIATION, as
Agent



By: _____
Name: Neal Shipley
Title: Managing Director

**SCHEDULE A
TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF REGISTERED PATENTS, TRADEMARKS,
TRADE NAMES AND COPYRIGHTS**

1. Registered Trademarks:

Registration Number	Mark	Pledgor	Filing Date	Application No.
2,182,006	Quikpages		8.18.98	
	Frisk		6.20.00	76/074,812
	Innuity		11.19.99	75/853,258
	Merchantrust		11.19.99	75/854,161
	Paperless Checks		11.19.99	75/854,193
	Visibility Online		11.19.99	75/854,192
2,206,622	METROVILLE		4.28.97	

2. Patents:

Application Serial No.	Pledgor	Filing Date
09/761,406	Innuity, Inc.	1/16/01
09/761,383	Innuity, Inc.	1/16/01
09/761,401	Innuity, Inc.	1/16/01
09/761,386	Innuity, Inc.	1/16/01
09/515,064.	Innuity, Inc.	2/28/00

3. Copyrights:

None.

**SCHEDULE B
TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF LIENS, CHARGES AND ENCUMBRANCES
OTHER THAN PERMITTED LIENS**

None.

Lauren Lonergan Taylor
(215-979-1503)
lltaylor@duanemorris.com

www.duanemorris.com

December 12, 2001

VIA U.S. POSTAL EXPRESS MAIL

The Honorable Commissioner of Patents & Trademarks
Box Assignments
Washington DC 20231

Re: Recordation of Security Agreement - TRADEMARKS ONLY

Dear Sir:

Enclosed for filing with your office please find the following items:

- 1) An original and one (1) copy of a completed Recordation Form Cover Sheet **Trademarks Only** along with a true and correct copy of the Patent, Trademark and Copyright Security Agreement document attached thereto;
- 2) An original and one (1) copy of a Certificate Of Express Mail;
- 3) A self-addressed, postage prepaid postcard for acknowledgment and return to this office;
- 4) A check in the amount of \$190.00 representing the total fee, being \$40.00 for the first trademark number and \$25.00 for each of the additional six (6) trademark numbers, for this recordation.

When available, kindly return to me your office's Acknowledgment and thereafter, a time-stamped copy of the Notice of Recordation in the envelope provided herein.

Please contact me with any questions. Thank you for your time and attention in this matter.

Sincerely,



Lauren Lonergan Taylor
for DUANE MORRIS & HECKSCHER LLP

Enclosures
LV/21386

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Filing of: Security Agreement
Filing Date: Herewith
Conveying Party: Innuity, Inc.
Innuity Acquisition Corp.
Merchant Commerce, Inc.
Receiving Party: PNC Bank, N.A., as Agent

CERTIFICATE OF EXPRESS MAIL

TO: COMMISSIONER OF PATENTS AND TRADEMARKS
Box Assignments
Washington, D.C. 20231

Sir:

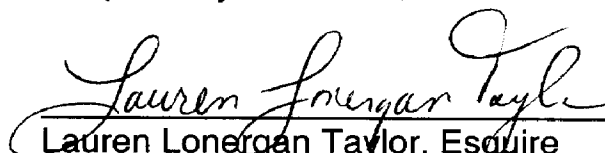
I hereby certify that this document, namely the above-identified **Security Agreement** is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service on the date indicated below and is addressed to the Commissioner of Patents & Trademarks, Box Assignments, Washington, D.C. 20231.

"Express Mail" mailing label number EJ212215463US

Date of Deposit 12-12-01

Respectfully submitted,

Date: 12-12-01



Lauren Loneragan Taylor, Esquire
Duane, Morris & Heckscher LLP
4200 One Liberty Place
Philadelphia, PA 19103-7396
Telephone: (215) 979-1503

LV/21385

TRADEMARK
REEL: 002410 FRAME: 0259

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Filing of: Security Agreement
Filing Date: Herewith
Conveying Party: Innuity, Inc.
Innuity Acquisition Corp.
Merchant Commerce, Inc.
Receiving Party: PNC Bank, N.A., as Agent

CERTIFICATE OF EXPRESS MAIL

TO: COMMISSIONER OF PATENTS AND TRADEMARKS
Box Assignments
Washington, D.C. 20231

Sir:


I hereby certify that this document, namely the above-identified **Security Agreement** is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service on the date indicated below and is addressed to the Commissioner of Patents & Trademarks, Box Assignments, Washington, D.C. 20231.

"Express Mail" mailing label number EJ212215463US

Date of Deposit 12-12-01

Respectfully submitted,

Date: 12-12-01


Lauren Lonergan Taylor, Esquire
Duane, Morris & Heckscher LLP
4200 One Liberty Place
Philadelphia, PA 19103-7396
Telephone: (215) 979-1503

LV/21385

TRADEMARK
REEL: 002410 FRAME: 0260

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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):

Innuity, Inc.
1712 Hopkins Crossroad
Minnetonka, MN 55305
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other _____

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

2. Name and address of receiving party(ies)

Name: PNC Bank, N.A., as Agent
Internal
Address: _____

Street Address: 222 Delaware Avenue, 18th Fl.
City: Wilmington State: DE Zip: 19801

Individual(s) citizenship _____
 Association National Association
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other _____

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

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name

Other Reaffirmation Of Patent, Trademark and Copyright Security Agreement
Execution Date: 11-80-01

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

A. Trademark Application No.(s)
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5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Lauren Lonergan Taylor, Esquire
DUANE MORRIS & HECKSCHER LLP
Internal Address: _____

Street Address: 4200 One Liberty Place

City: Philadelphia State: PA Zip: 19103

6. Total number of applications and registrations involved: _____

7

7. Total fee (37 CFR 3.41).....\$ 190.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: _____

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

DO NOT USE THIS SPACE

9. Statement and signature.

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

Lauren Lonergan Taylor, Esquire
Name of Person Signing

Lauren Lonergan Taylor
Signature

12-12-01
Date

Total number of pages including cover sheet, attachments, and document: **15**

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

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

Continuation of 1. Name of conveying parties:

Innuity Acquisition Corp.
1712 Hopkins Crossroad
Minnetonka, MN 55305

Merchant Commerce, Inc.
12424 Wilshire Blvd., Suite 1120
Los Angeles, CA 90025

:

**REAFFIRMATION OF PATENT, TRADEMARK AND
COPYRIGHT SECURITY AGREEMENT**

This REAFFIRMATION OF PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT ("Reaffirmation") dated as of November 20, 2001 is made by Innuity, Inc. (the "Borrower"), Merchant Commerce, Inc. and Innuity Acquisition Corp. (collectively, the "Guarantors") in favor of PNC BANK, National Association, as agent (the "Bank") for the banks (the "Participants") who may from time to time be party to the Loan Agreement (as hereinafter defined).

BACKGROUND

- A. The Borrower, the Guarantors, the Bank, and the Participants are parties to that certain Loan Agreement dated as of April 23, 2001 (as modified from time to time, the "Loan Agreement"), pursuant to which the Bank agreed to make available to the Borrower various credit facilities upon the terms and conditions specified in the Loan Agreement.
- B. On April 23, 2001, the Guarantors executed a Continuing Agreement of Guaranty and Suretyship in favor of the Bank (the "Guaranty") guaranteeing all of the obligations of the Borrower under the Loan Agreement and the other Loan Documents (as such term is defined in the Loan Agreement).
- C. In order to secure (i) all of the Borrower's obligations to the Bank under, *inter alia*, the Loan Agreement; and (ii) all of the Guarantors' obligations to the Bank under, *inter alia*, the Guaranty, the Borrower and the Guarantors (collectively, the "Debtors") executed in favor of the Bank that certain Patent, Trademark and Copyright Security Agreement dated as of April 23, 2001 (the "Intellectual Property Security Agreement").
- D. Upon the request of the Borrower, the Bank has agreed, upon certain terms and conditions, to amend the Loan Agreement as more fully set forth in that certain Amendment To Loan Agreement dated as of the date hereof by and among the Borrower, the Guarantors, the Participants and the Bank (the "Amendment;" together with all agreements, instruments and documents executed in connection therewith, collectively, are referred to herein as the "Amendment Documents").
- E. In order to induce the Bank to enter into the Amendment Documents, the Debtors have agreed to reaffirm their covenants and agreements under the Intellectual Property Security Agreement in accordance with the provisions hereof.
- F. The Debtors have determined that their execution, delivery and performance of this Reaffirmation is in their best interests.
- G. All terms capitalized but not defined herein shall have the meanings ascribed to them in the Intellectual Property Security Agreement.

NOW, THEREFORE, the parties hereto, incorporating the foregoing by reference, and intending to be legally bound, agree as follows:

1. The Debtors acknowledge and consent to the terms and conditions set forth in the Amendment Documents.

2. The Debtors hereby acknowledge and consent to the terms and conditions set forth in the Loan Agreement and the Loan Documents, all as amended by the Amendment Documents, and hereby ratify, affirm and reaffirm in all respects the Intellectual Property Security Agreement, including, without limitation, all terms, conditions, representations and covenants in the Intellectual Property Security Agreement.

3. All references to the Intellectual Property Security Agreement in the Loan Agreement, and any of the other documents executed in connection therewith shall be deemed to refer to the Intellectual Property Security Agreement as amended through the date hereof and as it may be amended in the future.

4. The Debtors hereby agree to do any and all such further acts, and to execute and/or deliver to and for the benefit of the Bank any and all additional documents that may be required for the Bank to perfect its interests hereunder.

5. The Debtors hereby acknowledge the continued existence, validity and enforceability of the Intellectual Property Security Agreement, and acknowledge that the Bank holds a perfected security interest in the Patents, Trademarks and Copyrights to secure the Secured Obligations, under, *inter alia*, the Loan Agreement and Loan Documents, and agree that the terms, conditions, representations and covenants contained in the Intellectual Property Security Agreement are binding upon them.


6. This Reaffirmation shall be construed in accordance with and governed by the substantive laws of the Commonwealth of Pennsylvania without reference to conflict of law principles.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Reaffirmation of Patent, Trademark and Copyright Security Agreement as of the day and year first above written.

Attest:

INNUITY, INC.

By: _____
Title: _____

By:  _____
Title: CEO _____

Attest:

MERCHANT COMMERCE, INC.

By: _____
Title: _____

By:  _____
Title: CEO _____

Attest:

INNUITY ACQUISITION CORP.

By: _____
Title: _____

By:  _____
Title: CEO _____

Witness:

PNC BANK, National Association, as Agent

By: _____
Title: _____

By: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Reaffirmation of Patent, Trademark and Copyright Security Agreement as of the day and year first above written.

Attest: INNUITY, INC.

By: _____
Title: _____

By: _____
Title: _____

Attest: MERCHANT COMMERCE, INC.

By: _____
Title: _____

By: _____
Title: _____

Attest: INNUITY ACQUISITION CORP.

By: _____
Title: _____

By: _____
Title: _____

Witness: PNC BANK, National Association, as Agent

By: Michelle Huak
Title: Administrative Assst

By: [Signature]
Title: Vice President

PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

This Patent, Trademark and Copyright Security Agreement (the "Agreement"), dated as of April 23, 2001, is entered into by and among Innuity, Inc., a Minnesota corporation, Merchant Commerce, Inc., a California corporation, Innuity Acquisition Corp., a Delaware corporation (each, a "Pledgor" and collectively, the "Pledgors"), and PNC Bank, National Association, as Agent for the Banks referred to below (the "Secured Party").

WHEREAS, pursuant to that certain Loan Agreement (as amended, restated, modified or supplemented from time to time, the "Credit Agreement") of even date herewith by and among the Borrower, the Guarantors from time to time party thereto, the Banks from time to time party thereto and the Secured Party, Secured Party and the Banks have agreed to provide certain loans to the Borrower, and the Pledgors have agreed, among other things, to grant a security interest to the Secured Party in certain patents, trademarks, copyrights and other property as security for such loans and other obligations as more fully described herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Except as otherwise expressly provided herein, capitalized terms used in this Agreement shall have the respective meanings given to them in the Credit Agreement, including any Riders thereto.

2. To secure the full payment and performance of all Obligations and other liabilities of the Borrower now or hereafter existing under the Credit Agreement and the other Loan Documents, including, without limitation, principal, interest, fees, expenses, costs and expenses of enforcement, reasonable attorney's fees and expenses, and obligations under indemnification provisions in the Loan Documents (collectively, the "Secured Obligations"), each Pledgor hereby grants, and conveys a security interest to Secured Party in the entire right, title and interest of such Pledgor in and to all trade names, patent applications, patents, trademark applications, trademarks and copyrights, whether now owned or hereafter acquired by such Pledgor, including, without limitation, those listed on Schedule A hereto, including all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business to which any of the patents, trademarks and copyrights relate (collectively, the "Patents, Trademarks and Copyrights").

3. Each Pledgor covenants and warrants that:

(a) the Patents, Trademarks and Copyrights are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) to the best of such Pledgor's knowledge, each of the Patents, Trademarks and Copyrights is valid and enforceable;

(c) except as set forth in Schedule B hereto, such Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Copyrights, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by such Pledgor not to sue third persons;

(d) such Pledgor has the corporate power and authority to enter into this Agreement and perform its terms;

(e) no claim has been made to such Pledgor or, to such the knowledge of such Pledgor, any other person that the use of any of the Patents, Trademarks and Copyrights does or may violate the rights of any third party;

(f) such Pledgor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under the Patents, Trademarks and Copyrights; and

(g) such Pledgor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Patents, Trademarks and Copyrights, except for those Patents, Trademarks and Copyrights that are hereafter allowed to lapse in accordance with Paragraph 10 hereof.

4. Each Pledgor agrees that, until all of the Secured Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with such Pledgor's obligations under this Agreement, without Secured Party's prior written consent which shall not be unreasonably withheld except such Pledgor may license technology in the ordinary course of business without the Secured Party's consent to suppliers and customers to facilitate the manufacture and use of such Pledgor's products.

5. If, before the Secured Obligations shall have been indefeasibly satisfied in full and the Commitments have terminated, any Pledgor shall own any new trademarks or any new copyrightable or patentable inventions, or any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation in part of any Patent, Trademark or Copyright or any improvement on any Patent, Trademark or Copyright, the provisions of this Agreement shall automatically apply thereto and such Pledgor shall give to Secured Party prompt notice thereof in writing. Each Pledgor and Secured Party agree to modify this Agreement by amending Schedule A to include any future patents, patent applications, trademark applications, trademarks, copyrights or copyright applications and the provisions of this Agreement shall apply thereto.

6. Secured Party shall have, in addition to all other rights and remedies given it by this Agreement and those rights and remedies set forth in the Credit Agreement, those allowed by Law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks and Copyrights may be located and, without limiting the generality of the foregoing, if an Event of Default has occurred and is

continuing, Secured Party may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to any Pledgor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in a city that the Secured Party shall designate by notice to each Pledgor, in Pittsburgh, Pennsylvania or elsewhere, the whole or from time to time any part of the Patents, Trademarks and Copyrights, or any interest which such Pledgor may have therein and, after deducting from the proceeds of sale or other disposition of the Patents, Trademarks and Copyrights all expenses (including fees and expenses for brokers and attorneys), shall apply the remainder of such proceeds toward the payment of the Secured Obligations as the Secured Party, in its sole discretion, shall determine. Any remainder of the proceeds after payment in full of the Secured Obligations shall be paid over to such Pledgor. Notice of any sale or other disposition of the Patents, Trademarks and Copyrights shall be given to each Pledgor at least ten (10) days before the time of any intended public or private sale or other disposition of the Patents, Trademarks and Copyrights is to be made, which such Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Secured Party may, to the extent permissible under applicable Law, purchase the whole or any part of the Patents, Trademarks and Copyrights sold, free from any right of redemption on the part of such Pledgor, which right is hereby waived and released.

7. If any Event of Default shall have occurred and be continuing, each Pledgor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party, as Secured Party may select in its exclusive discretion, as such Pledgor's true and lawful attorney-in-fact, with the power to endorse Pledgor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Patents, Trademarks and Copyrights, or to grant or issue, on commercially reasonable terms, any exclusive or nonexclusive license under the Patents, Trademarks and Copyrights to any third person, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose, on commercially reasonable terms, of the Patents, Trademarks and Copyrights to any third Person. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable for the life of this Agreement. Each Pledgor acknowledges and agrees that (i) the power of attorney herein granted shall in no way be construed as to benefit such Pledgor; (ii) the Secured Party herein granted this power of attorney shall have NO duty to exercise any powers granted hereunder for the benefit of such Pledgor; and (iii) the Secured Party herein granted this power of attorney shall, to the extent exercisable, exercise any and all powers granted hereunder for the benefit of the Secured Party and the Banks. The Secured Party hereby accepts this power of attorney and all powers granted hereunder for the benefit of the Secured Party and the Banks. Each Pledgor, the Secured Party and the Banks acknowledge, agree and consent that, in accordance with the legislative intent and as allowed by 20 Pa. C.S. § 5601(a), the provisions of 20 Pa. C.S. § 5601 shall NOT apply to this power of attorney or any of the powers granted herein.

8. At such time as Pledgors shall have indefeasibly paid in full all of the Secured Obligations and the Commitments shall have terminated, this Agreement shall terminate and Secured Party shall execute and deliver to each Pledgor all deeds, assignments and other

instruments as may be necessary or proper to re-vest in such Pledgor full title to its Patents, Trademarks and Copyrights, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

9. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorney's fees and expenses incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, 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, the protection, maintenance or preservation of the Patents, Trademarks and Copyrights, or the defense or prosecution of any actions or proceedings arising out of or related to the Patents, Trademarks and Copyrights, shall be borne and paid by Pledgors, jointly and severally, within fifteen (15) days of demand by Secured Party, and if not paid within such time, shall be added to the principal amount of the Secured Obligations and shall bear interest at the highest rate prescribed in the Credit Agreement.

10. Each Pledgor shall have the duty, through counsel reasonably acceptable to Secured Party, to prosecute diligently any patent applications of the Patents, Trademarks and Copyrights pending as of the date of this Agreement if commercially reasonable or thereafter until the Secured Obligations shall have been indefeasibly paid in full and the Commitments shall have terminated, to make application on unpatented but patentable inventions (whenever it is commercially reasonable in the reasonable judgment of such Pledgor to do so) and to preserve and maintain all rights in patent applications and patents of the Patents, including without limitation the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne, jointly and severally, by Pledgors. No Pledgor shall abandon any Patent, Trademark or Copyright without the consent of Secured Party, which shall not be unreasonably withheld.

11. Each Pledgor shall have the right, with the consent of Secured Party, which shall not be unreasonably withheld, to bring suit, action or other proceeding in its own name, and to join Secured Party, if necessary, as a party to such suit so long as Secured Party is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents, Trademarks and Copyrights and any licenses thereunder. Each Pledgor shall promptly, upon demand, reimburse and indemnify Secured Party for all damages, costs and expenses, including reasonable legal fees, incurred by Secured Party as a result of such suit or joinder by such Pledgor.

12. No course of dealing between any Pledgor and Secured Party, nor any failure to exercise nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Credit Agreement or other Loan Documents shall operate as a waiver of such right, power or privilege, 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.

13. All of Secured Party's rights and remedies with respect to the Patents, Trademarks and Copyrights, whether established hereby or by the Credit Agreement or by any other agreements or by Law, shall be cumulative and may be exercised singularly or concurrently.

14. The provisions of this Agreement 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 clause or provision of this Agreement in any jurisdiction.

15. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Paragraph 5.

16. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, provided, however, that no Pledgor may assign or transfer any of its rights or obligations hereunder or any interest herein and any such purported assignment or transfer shall be null and void.

17. This Agreement shall be governed by and construed in accordance with the internal Laws of the Commonwealth of Pennsylvania without regard to its conflicts of law principles.

18. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument. Each Pledgor acknowledges and agrees that a telecopy transmission to Secured Party or any Bank of signature pages hereof purporting to be signed on behalf of any Pledgor shall constitute effective and binding execution and delivery hereof by such Pledgor.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

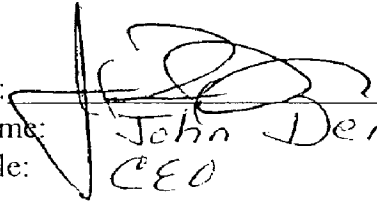
[SIGNATURE PAGE 1 OF 1 TO PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed
by their respective officers or agents thereunto duly authorized, as of the date first above written.

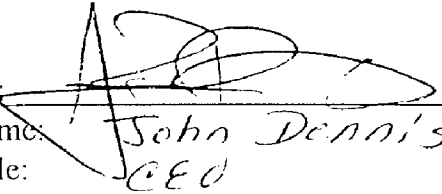
ATTEST:

INNUIITY, INC.

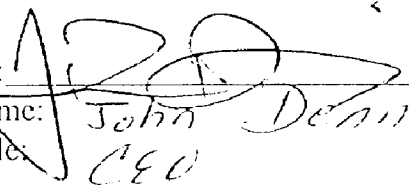
Neil P. Ayotte
Name:
Title: Secretary

By: 
Name: John Dennis
Title: CEO

MERCHANT COMMERCE, INC.

By: 
Name: John Dennis
Title: CEO

INNUIITY ACQUISITION CORP.

By: 
Name: John Dennis
Title: CEO

PNC BANK, NATIONAL ASSOCIATION, as
Agent

By: _____
Name:
Title:

[SIGNATURE PAGE 1 OF 1 TO PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed
by their respective officers or agents thereunto duly authorized, as of the date first above written.

ATTEST:

INNUITY, INC.

Name:
Title:

By: _____
Name:
Title:


MERCHANT COMMERCE, INC.

By: _____
Name:
Title:

INNUITY ACQUISITION CORP.

By: _____
Name:
Title:

PNC BANK, NATIONAL ASSOCIATION, as
Agent


By: _____
Name: Neal Shipley
Title: Managing Director

**SCHEDULE A
TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF REGISTERED PATENTS, TRADEMARKS,
TRADE NAMES AND COPYRIGHTS**

1. Registered Trademarks:

Registration Number	Mark	Pledgor	Filing Date	Application No.
2,182,006	Quikpages		8.18.98	
	Frisk		6.20.00	76/074,812
	Innuity		11.19.99	75/853,258
	Merchantrust		11.19.99	75/854,161
	Paperless Checks		11.19.99	75/854,193
	Visibility Online		11.19.99	75/854,192
2,206,622	METROVILLE		4.28.97	

2. Patents:

Application Serial No.	Pledgor	Filing Date
09/761,406	Innuity, Inc.	1/16/01
09/761,383	Innuity, Inc.	1/16/01
09/761,401	Innuity, Inc.	1/16/01
09/761,386	Innuity, Inc.	1/16/01
09/515,064.	Innuity, Inc.	2/28/00

3. Copyrights:

None.

**SCHEDULE B
TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF LIENS, CHARGES AND ENCUMBRANCES
OTHER THAN PERMITTED LIENS**

None.