

02-12-2002



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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
 - Security Agreement Nunc Pro Tunc Assignment
 - Merger Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership
- Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

MNO
6-13-2000

140E

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Patrick K. Cameron, Esq.

Name of Person Signing

Signature

Date Signed

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement") is dated as of this 7th day of June, 2000, between MENTOR TECHNOLOGIES GROUP, INC., a Maryland corporation. MENTOR LABS, LLC, a Maryland limited liability company, each with their principal place of business located at 201 Defense Highway, Annapolis, Maryland 21401 (collectively the "Assignors"), and BANK OF AMERICA, N.A., a national banking association having an office at 10 Light Street, 16th Floor, Baltimore, Maryland 21202 (the "Assignee").

BACKGROUND

Pursuant to and subject to the terms and conditions of that certain Revolving Credit and Security Agreement of even date herewith (as the same from time to time may be amended, restated, supplemented or otherwise modified, the "Credit Agreement") by and among the Assignors and the Assignee, the Assignee has agreed to make available to the Assignors jointly a revolving credit facility (the "Revolving Credit Facility"), pursuant to which the Assignee will make advances to the Assignors in the principal amount not to exceed \$6,000,000 in the aggregate at any one time outstanding. The Assignors' obligation to repay such advances with interest is evidenced by the Assignors' Revolving Credit Note of even date herewith in the principal amount of \$6,000,000 (as the same may from time to time be amended, restated, supplemented, or otherwise modified, the "Note"). As inducement to the Bank to enter into the Credit Agreement and make the Revolving Credit Facility available to the Assignors, the Assignors agree to pledge to the Assignee and grant to the Assignee a first priority, continuing security interest in and lien on, among other things, all trademark applications and trademarks of either or both Assignors.

As used herein, the term "Loan Documents" means collectively the Credit Agreement, the Note, all guaranties, mortgages, security agreements, debentures, and other documents previously, simultaneously, or hereafter executed and delivered by the Assignees or any other party or parties to evidence, secure, or guarantee, or in connection with, the Revolving Credit Facility.

Capitalized terms used herein without definition shall have the meanings ascribed to them in the Credit Agreement.

AGREEMENTS

NOW THEREFORE, in consideration of the premises and of the mutual covenants of the parties hereto, and intending to be legally bound hereby, it is hereby agreed as follows:

1. Assignment of Marks. To secure the complete and timely payment and satisfaction of all of the Assignors' Obligations under the Credit Agreement, the Assignors, to the extent of their respective interests, hereby grant, assign and convey to Assignee a security interest in and to all trademark applications, trademarks (whether registered, unregistered or for which any application to register has been filed), service mark applications, service marks (whether registered, unregistered or for which any

application to register has been filed) and tradenames of either or both of the Assignors, all of which are listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), including, without limitation, all renewals thereof and 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 owned by either or both of the Assignors corresponding thereto throughout the world (all of the foregoing are collectively called the "Marks"), together with the goodwill of the business symbolized by each of the Marks and the registrations (if any) thereof.

2. Warranties and Representations. The Assignors covenant and warrant that: (a) either or both of the Assignors are the sole and exclusive owner(s) of the entire right, title and interest in each of the Marks, free and clear of any liens, pledges, assignments or other encumbrances; (b) the Assignors have the unqualified right to enter into this Agreement and perform its terms; (c) the Marks are subsisting and have not been adjudged invalid or unenforceable; (d) to the best of each Assignor's knowledge, each of the Marks is valid and enforceable; (e) no claim has been made that the use of any of the Marks does or may violate the rights of any third person; (f) each Assignor has used, and, subject to the provisions of Paragraph 7 below, will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Marks; and (g) each Assignor has used, and, subject to the provisions of Paragraph 7 below, will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products and delivery of services sold or provided under the Marks. The Assignors shall, in any event, indemnify and hold the Assignee harmless from all losses, damages, costs and expenses, including legal costs and counsel fees, incurred by Assignee as the direct or indirect result of any action, claim or demand, whether or not groundless, alleging that the Marks infringe any trademarks held by third parties.

3. Right To Inspect. Assignors hereby grant to Assignee and its employees and agents the right to visit either of or both of the Assignors' plants and facilities where products sold or services provided under any of the Marks are manufactured, inspected stored, or provided, and to inspect and review the products and quality control records relating thereto at reasonable times. Assignors shall do any and all acts reasonably required by the Assignee to ensure Assignors' compliance with Paragraph 2(g) above.

4. Right to Benefits. If, before the Obligations shall have been satisfied in full, either or both Assignor shall become entitled to the benefit of any additional trademark or service mark registration, or any renewal or affidavit of any Mark, the provisions of Paragraph 1 shall automatically apply thereto and the Assignors shall give the Assignee prompt written notice thereof.

5. Future Marks. The Assignors authorize the Assignee to modify this Agreement by amending Schedule A to include any future trademarks, service marks or tradenames which are Marks under Paragraph 1 or Paragraph 4 hereof.

6. Default. The term "Default", as used herein, shall mean: (a) a Default under the Credit Agreement; and (b) any violation by either Assignor of any obligation, agreement, representation, warranty or covenant contained in this Agreement and any modification or amendment hereof which is not waived or cured and remedied within thirty (30) calendar days after notice thereof to the Assignors.

7. Assignors' Right to Use Marks. Unless a Default shall occur and be continuing, the Assignors shall retain the legal and equitable title to the Marks and shall have the right to use the Marks in the ordinary course of its business but shall not be permitted to sell, assign, transfer or otherwise encumber the Marks or any part thereof; provided, however, that nothing herein contained shall prohibit the Assignors from failing to renew or otherwise abandoning any item included within the Marks if, in the Assignors' good judgment, the retention of such item is not material to the proper conduct of its business, provided, however, that Assignors shall give the Assignee ten (10) days' prior written notice of any abandonment or failure to renew of any item included within the Marks.

8. Assignee's Rights As Secured Party. If a Default shall have occurred and be continuing, the Assignee shall have, in addition to all other rights and remedies given it by this Agreement and the Loan Documents, 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 Marks may be located and, without limiting the generality of the foregoing, the Assignee may immediately, without demand of performance and without advertisement, sell at public or private sale or otherwise realize upon, in Maryland or elsewhere, the whole or from time to time any part of the Marks, the goodwill and equipment associated therewith, or any interest which the Assignors have therein, and after deducting from the proceeds of said sale or other disposition of the Marks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds for the payment of the Obligations. Notice of any sale or other disposition of the Marks shall be given to Assignors at least fifteen (15) calendar days before the time of any intended public or private sale or other disposition of the Marks is to be made, which the Assignors hereby agree shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Assignee may, to the extent permissible under applicable law, purchase the whole or any part of the Marks sold, free from any right of redemption on the part of the Assignors, which right is hereby waived and released.

9. Power of Attorney. If a Default shall have occurred and be continuing, each Assignor hereby authorizes and empowers the Assignee to make, constitute and appoint any officer or agent of the Assignee as the Assignee may select in its exclusive discretion, as the Assignors' true and lawful attorney-in-fact, with the power to endorse the Assignors' names on all applications, documents, papers and instruments necessary for the Assignee to use the Marks, or to grant or issue any exclusive or non-exclusive license under the Marks to any third person, or necessary for the Assignee to assign, pledge, convey or otherwise transfer title in or dispose of the Marks, the goodwill and equipment associated therewith, to any third person. The Assignors hereby ratify all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement and coupled with an interest.

10. Termination. At such time as the Assignors shall completely satisfy all of the Obligations and all other liabilities of the Assignors to the Assignee under the Loan Documents, the Assignee shall execute and deliver to the Assignors all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Assignors the full unencumbered title to the Marks, and the goodwill associated therewith, subject to any disposition thereof which may have been made by the Assignee pursuant hereto.

11. Fees and Expenses of Assignee. If a Default shall have occurred and be continuing, any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal

expenses, incurred by the Assignee in connection with the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Marks, or in defending or prosecuting any actions or proceedings arising out of or related to the Marks, shall be borne and paid by the Assignors on demand by the Assignee, and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Note.

12. Protection of Marks.

(a) Subject only to the first proviso in Section 7 hereof, the Assignors shall take all actions reasonably necessary to protect and defend the Marks and shall institute such proceedings to enforce the Marks as it, in its reasonable business judgment, deems appropriate. The Assignee shall, upon the reasonable request of the Assignors, do any and all lawful acts and execute any and all proper documents in aid of such protection, defense and enforcement, and the Assignors shall promptly, upon demand, reimburse and indemnify the Assignee for all costs and expenses incurred by the Assignee in connection therewith.

(b) If a Default shall have occurred and be continuing, the Assignee shall have the right but shall in no way be obligated to bring suit in its own name to enforce the Marks, in which event the Assignors shall at the request of the Assignee do any and all lawful acts and execute any and all proper documents required by the Assignee in aid of such enforcement, and the Assignors shall promptly, upon demand, reimburse and indemnify the Assignee for all costs and expenses incurred by the Assignee in the exercise of its rights under this Paragraph 12.

13. No Waiver. No course of dealing between the Assignors and the Assignee nor any failure to exercise, nor any delay in exercising, on the part of the Assignee, any right, power or privilege hereunder or under the Credit Agreement or the Note 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 or the exercise of any other right, power or privilege.

14. Severability. 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 other clause or provision of this Agreement in any jurisdiction.

15. Manufacture and Sale. The parties understand and agree that the collateral security assignment of the Marks as provided for in this Agreement, together with other collateral provided to the Assignee pursuant to the Credit Agreement and the other Loan Documents, will permit the Assignee, upon the happening of an Event of Default as provided herein, to make use of all rights to the Marks, the goodwill associated therewith and certain equipment and machinery as set forth in the Credit Agreement, all of which will permit the Assignee to manufacture and sell the products for which the use of the Marks is associated and maintain substantially the same product specifications and quality as maintained by Assignor.

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

17. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

18. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Maryland.

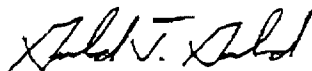
19. JUDICIAL PROCEEDINGS. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY SUIT, ACTION, OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT OR INSTITUTED BY ANY PARTY HERETO OR ANY SUCCESSOR OR ASSIGN OF ANY PARTY, ON OR WITH RESPECT TO THIS AGREEMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, THE ASSIGNORS WAIVE ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. THE ASSIGNORS ACKNOWLEDGE AND AGREE THAT THIS PARAGRAPH IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND THAT THE ASSIGNEE WOULD NOT EXTEND CREDIT TO THE ASSIGNORS IF THE WAIVERS SET FORTH IN THIS PARAGRAPH WERE NOT A PART OF THIS AGREEMENT.

20. Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute one and the same instrument.

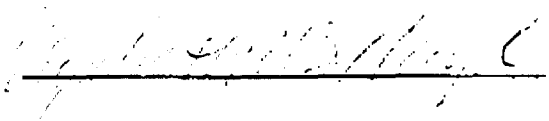
IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement the day and year first above written.

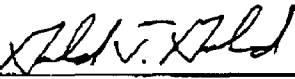
WITNESS: MENTOR TECHNOLOGIES GROUP, INC.



By: 
Name:
Title:

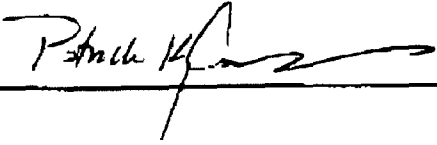
WITNESS: MENTOR LABS, LLC




By: 
Name:
Title:

WITNESS:

BANK OF AMERICA, N.A.



By: 

Margaret R. Anderson
Vice President

ACKNOWLEDGMENTS

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 7th day of June, 2000, before me, the undersigned Notary Public of said State, personally appeared David J. Darscheid who acknowledged himself/herself to be a CEO of MENTOR TECHNOLOGIES GROUP, INC., a Maryland corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executed the same for the purposes therein contained as the duly authorized CEO of said corporation by himself/herself as CEO.

WITNESS my Hand and Notarial Seal.

Cynthia N. Soverna
Notary Public

My commission expires: 12/29/03

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 7th day of June, 2000, before me, the undersigned Notary Public of said State, personally appeared David J. Darscheid who acknowledged himself/herself to be a CEO of MENTOR LABS, LLC, a Maryland limited liability company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she executed the same for the purposes therein contained as the duly authorized CEO of said company by himself/herself as CEO.

WITNESS my Hand and Notarial Seal.

Cynthia N. Soverna
Notary Public

My commission expires: 12/29/03

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 7th day of June, 2000, before me, the undersigned Notary Public of said State, personally appeared Margaret R. Anderson, who acknowledged herself to be a Vice President of BANK OF AMERICA, N.A., a national banking association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purposes therein contained as the duly authorized Vice President of said association by herself as Vice President.

WITNESS my Hand and Notarial Seal.

Cynthia N. Sowers
Notary Public

My commission expires: 12/27/03

Schedule ALIST OF TRADEMARK REGISTRATIONS AND PENDING APPLICATIONS *

<u>MARK</u>	<u>REG. NUMBER</u>	<u>REG. DATE</u>
VLAB	2,264,695	July 27, 1999

<u>MARK</u>	<u>SERIAL NUMBER</u>	<u>FILING DATE</u>
VLAB and Design	75/899,463	January 19, 2000
V and Design	75/908,478	February 2, 2000
VAUTHOR	75/908,479	February 2, 2000
IT'S NOT WHAT YOU KNOW BUT WHAT YOU CAN DO	75/936,438	March 6, 2000
GET YOUR SKILLS ON OUR GEAR	76/013,544	March 30, 2000
VOFFER	76/013,566	March 30, 2000

*The foregoing marks and trademark applications are current owned by Mentor Technologies Group, Inc.