

RE

11910Z

04-19-2002



102061788

Form FTG-1504 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)		RECORDATION FORM COVER SHEET TRADEMARKS ONLY		U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office Document ID No. 101944162	
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.					
1. Name of conveying party(ies): LASTMINUTETRAVEL.COM, INC. <input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State Delaware <input type="checkbox"/> Other _____ Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			2. Name and address of receiving party(ies) Name: <u>Lora B. Childs</u> Internal Address: _____ Street Address: <u>22 Old Beathouse Lane</u> City: <u>Spring Island</u> State: <u>SC</u> Zip: <u>29910</u> <input checked="" type="checkbox"/> Individual(s) citizenship <u>United States</u> <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input type="checkbox"/> Corporation-State _____ <input type="checkbox"/> Other _____ <small>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment)</small> Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No		
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>September 1, 2001</u>					
4. Application number(s) or registration number(s): A. Trademark Application No.(s) <u>75/755,856, 75/755,858, 75/786,752, 75/838,308, 75/846,522, 75/846,523, 75/846,524, 75/847,259, 75/847,261, 75/847,262, 75/857,726, 75/857,727</u> B. Trademark Registration No.(s) <u>1,811,733</u> Additional number(s) attached <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>John J. Timar, Esq.</u> Internal Address: _____ <u>Womble Carlyle Sandridge & Rice, PLLC</u> Street Address: <u>P.O. Box 725388</u> City: <u>Atlanta</u> State: <u>GA</u> Zip: <u>31139-9388</u>			6. Total number of applications and registrations involved: 17 <input type="text"/>		
			7. Total fee (37 CFR 3.41)..... \$440.00 <input type="checkbox"/> Enclosed This was already paid <input type="checkbox"/> Authorized to be charged to deposit account		
			8. Deposit account number: _____		
DO NOT USE THIS SPACE					
9. Statement and signature. <i>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.</i> John J. Timar <u>John J. Timar</u> <u>4/4/02</u> Name of Person Signing Signature Date					

Total number of pages including cover sheet, attachments, and document: 39

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

ADDITIONAL APPLICATION NUMBERS

75/857,728

75/861,363

75/879,043

75/879,096

ADDITIONAL NAMES OF RECEIVING PARTIES

Richard L. Childs, a United States citizen
22 Old Beathouse Lane
Spring Island, SC 29910

Keith Hoogland, a United States citizen
9810 Capital Drive
Wheeling, IL 60090

Laurance B. VanMeter, a United States citizen
239 Holiday Road
Lexington, KY 40502

Travel Incorporated, a Georgia corporation
4355 River Green Parkway
Duluth, GA 30096

01-14-2002

FORM PTO-1594

MAD
1.9.02

REC



SHEET

U.S. DEPARTMENT OF COMMERCE

(Rev. 6-93)

OMB No. 0651-0011 (exp. 4/94)

Patent and Trademark Office

101944162

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

1. Name of conveying party(ies):

LASTMINUTETRAVEL.COM, INC.

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

2. Name of receiving party(ies)

Individual(s) citizenship

Lora Childs, South Carolina resident
Richard Childs, South Carolina resident
Keith A. Hoogland, Illinois resident
Laurance B. VanMeter, Kentucky resident

Limited Partnership

Other (Corporation)

Travel Incorporated, a Georgia corporation

Additional name(s) attached? Yes No

3. Nature of conveyance:

Assignment

Merger

Security Agreement

Change of Name

Other:

Execution Date: September 1, 2001

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

If this document is being filed together with a new application, the execution date of the application is:

A. Trademark application No.(s)

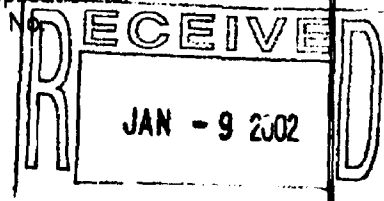
Trademark Registration No.

75/755,856	75/755,858	75/786,752	75/838,308
75/846,522	75/846,523	75/846,524	75/847,259
75/847,261	75,847,262	75/857,726	75/857,727
75/857,728	75/861,363	75/879,043	75/879,096

1,811,733

[See attached schedule]

Additional numbers attached? Yes No



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

John J. Timar, Esq.
Womble Carlyle Sandridge & Rice, PLLC
P.O. Box 725388
Atlanta, GA 31139-9388

6. Total number of applications/registrations involved: 17

7. Total fee (37 CFR 3.41) \$440.00

Enclosed

Authorized to be charged to deposit account

8. Deposit Account Number:

50-0517

(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.

John J. Timar

Name of Person Signing

Signature

12/12/01

Date

Docket No.

Total number of pages including cover sheet, attachments, and document: [18]

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

CONSENT AND FIRST AMENDMENT TO SECURITY AGREEMENT

THIS FIRST AMENDMENT (this "Amendment") is made and entered into as of September 1, 2001 by LastMinuteTravel.com, Inc., a Delaware corporation ("LMT"), in favor of Robert E. Wendling, a Georgia resident, John W. Wallace, Jr., a Georgia resident, Mark O'Malley, an Illinois resident, Jeffrey Citron, a New Jersey resident, Claire Etheridge, a North Carolina resident, Malcolm P. Blane, a Kentucky resident, James F. Gould, a Tennessee resident, HFM Revocable Trust, a Georgia trust, 3936 Investments, Inc., a Georgia corporation, Jack Laschever, a New York resident, Paul M. Hawkins, Jr., a Georgia resident, Julie M. Newkirk, a Georgia resident, Small Fish II, L.P., a Georgia limited partnership, Doug Rogers, an Arizona resident, and Kevin Sheehan, an Illinois resident (collectively, the "Lenders");

RECITALS:

WHEREAS, the Lenders have loaned LMT an aggregate of \$1,500,000 (the "Loan"); and

WHEREAS, to secure the Loan, LMT has granted each of the Lenders a security interest in all of LMT's assets, pursuant to that certain Security Agreement dated February 26, 2001 by LMT in favor of each of the Lenders and attached as Exhibit "A" hereto (the "Security Agreement"); and

WHEREAS, LMT wishes to amend the Security Agreement to increase the size of the Loan to \$2,500,000 and to add additional parties to the definition of "Lenders" in the Security Agreement; and

WHEREAS, each of the Lenders wishes to consent to such amendment;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LMT and each of the Lenders do hereby agree as follows:

AGREEMENT

1. Amendment of Certain Terms. The definition of "Loan" in the recitals to the Security Agreement is hereby amended by increasing the aggregate principal amount thereof to Three Million Six Hundred Fifty Thousand and 00/100 Dollars (\$3,650,000).

2. Additional Parties. The definition of "Lenders" in the recitals to the Security Agreement is hereby amended by adding Laurance B. Van Meter, a Kentucky resident, Richard Childs, a South Carolina resident, Lora Childs, a South Carolina resident, Keith A. Hoogland, an Illinois resident, and Travel Incorporated, a Georgia corporation, to such definition (collectively, the "Additional Lenders").

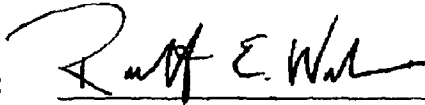
3. Lenders' Consent. Each of the Lenders hereby consents to the amendments referred to in Sections 1 and 2 hereof.

4. Additional Lenders. By executing this Amendment, each of the Additional Lenders hereby becomes a party to the Security Agreement, the terms and conditions of which are incorporated by this reference


5. Continued Effect. LMT and each of the Lenders hereby acknowledge and agree that any and all terms and conditions of the Security Agreement not specifically amended by Sections 1 and 2 hereof shall remain in full force and effect.

IN WITNESS WHEREOF, LMT has executed, and the Lenders have consented to, this Amendment effective as of September 1, 2001.

LASTMINUTETRAVEL.COM, INC.

By: 
Robert E. Wendling, Chief Operating Officer

CONSENTED TO BY:


ROBERT E. WENDLING [SEAL]

[Signatures continued on next page]

John W. Wallace, Jr. [SEAL]
JOHN W. WALLACE, JR.

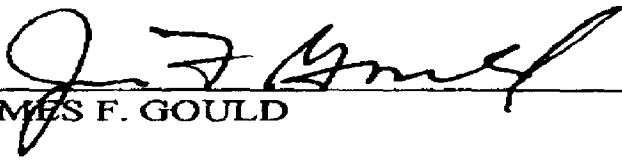
[Signatures continued on next page]

Claire Etheridge [SEAL]
CLAIRE ETHERIDGE

[Signatures continued on next page]


MALCOLM P. BLANE [SEAL]

[Signatures continued on next page]


JAMES F. GOULD [SEAL]

[Signatures continued on next page]

HFM REVOCABLE TRUST

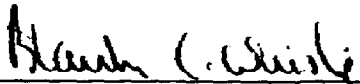


Roy M. Jones, Co-Trustee

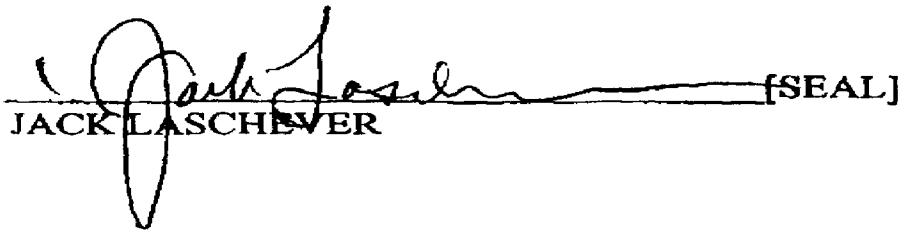
[SEAL]

[Signatures continued on next page]

3936 INVESTMENTS, INC.


_____ [SEAL]
Blanton C. Winship, President

[Signatures continued on next page]


JACK LASCHEVER [SEAL]

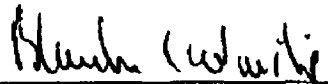
[Signatures continued on next page]

Paul M Hawkins [SEAL]
PAUL M. HAWKINS, JR.

[Signatures continued on next page]

SMALL FISH II, LP

By: 3936 Investments, Inc., its General Partner


_____ [SEAL]
Blanton C. Winship, President

[Signatures continued on next page]

Doug Rogers [SEAL]
DOUG ROGERS

[Signatures continued on next page]

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is made as of this ___ day of February, 2001, by LASTMINUTETRAVEL.COM, INC., a Delaware corporation ("Pledgor"), in favor of Robert E. Wendling, a Georgia resident, John W. Wallace, Jr., a Georgia resident, Mark O'Malley, an Illinois resident, Jeffrey Citron, a New Jersey resident, E.G. Hitt, Jr., a Georgia resident, Claire Etheridge, a North Carolina resident, Malcolm P. Blane, a Kentucky resident, James F. Gould, a Tennessee resident, HFM Revocable Trust, a Georgia trust, 3936 Investments, Inc., a Georgia corporation, Jack Laschever, a New York resident, Paul M. Hawkins, Jr., a Georgia resident, Julie M. Newkirk, a Georgia resident, Small Fish II, L.P., a Georgia limited partnership, Doug Rogers, an Arizona resident, and Kevin Sheehan, an Illinois resident (collectively, the "Lenders");

WHEREAS, the Lenders have loaned Pledgor the aggregate principal amount of \$1,500,000 (the "Loan") pursuant to certain Convertible Promissory Notes of even date herewith (collectively, the "Notes"); and

WHEREAS, the Lenders have required, as a condition to making the Loan, the execution of this Agreement by Pledgor;

NOW, THEREFORE, in order to secure: (a) the prompt payment of all amounts due under the Notes ("Pledgor's Liabilities"); and (b) Pledgor's performance of all of the terms of this Agreement and of any other document executed in connection with the Loan, Pledgor agrees with the Lenders as follows:

1. *Collateral.* Pledgor hereby grants to Lenders a security interest in all of Pledgor's assets, wherever located, including, but not limited to, the following:

(a) *Accounts.* All of Pledgor's accounts (including, without limitation, all obligations and indebtedness of every kind at any time owing to Pledgor from whatever source arising) both now owned and hereafter acquired, together with: (i) all cash and non-cash proceeds thereof; (ii) all customer lists and other documents containing names, addresses and other information regarding Pledgor's customers; (iii) all books, records, files, computer tapes, programs, discs and other material or documents relating to any of the above; and (iv) all returned, rejected or repossessed goods, the sale or lease of which shall have given or shall give rise to an account and all cash and non-cash proceeds and products of all such goods.

(b) *General Intangibles.* All of Pledgor's general intangibles (including, without limitation, all things in action, tax refunds, contractual rights, goodwill, literary rights, rights to performance, copyrights, trademarks, trademark applications, patents, patent applications, know-how, ideas, concepts, techniques, works of authorship, rights to software and source code and all other intellectual property), both now owned and hereafter acquired, together with all cash and non-cash proceeds and products thereof.

(c) *Chattel Paper.* All of Pledgor's chattel paper both now owned and hereafter acquired together with: (i) all moneys due and to become due thereunder; (ii) all cash and non-cash proceeds thereof; and (iii) all returned, rejected or repossessed goods, the sale or lease of which

shall have given or shall give rise to chattel paper and all cash and non-cash proceeds and products of all such goods. Additionally, Pledgor assigns and grants to Lenders a security interest in all property and goods both now owned and hereafter acquired by Pledgor that are sold, leased, secured, are the subject of or otherwise covered by, Pledgor's chattel paper, together with all rights incident to such property, goods and all cash and non-cash proceeds thereof.

(d) *All Equipment and Fixtures.* All of Pledgor's equipment (including all motor vehicles), machinery, furniture and fixtures, both now owned and hereafter acquired, together with: (i) all additions, parts, fittings, accessories, special tools, attachments and accessions now and hereafter affixed thereto or used in connection therewith; (ii) all replacements thereof and substitutions therefor; and (iii) all cash and non-cash proceeds and products thereof. All such fixtures are or will be attached to the real property described in Exhibit "A" attached hereto.

(e) *Other.* All of Pledgor's property described in Exhibit "B" attached hereto and made a part hereof by reference, together with all products and cash and non-cash proceeds thereof.

The term "Collateral" means each and all of the items described above and the term "proceeds" includes, without limitation, the proceeds of all insurance policies covering all or any part of such Collateral.

2. *Payment and Performance.* Pledgor will pay Pledgor's Liabilities as and when due and payable and will comply with all terms and conditions of the Notes and this Agreement. Pledgor shall promptly notify the Lenders of any condition or event that constitutes an Event of Default hereunder, and promptly inform the Lenders of any material and adverse change in Pledgor's financial condition.

3. *Title to Collateral.* Pledgor represents and warrants that it owns and has good and marketable title to the Collateral free and clear of all liens, security interests and other encumbrances except for those in favor of or disclosed to the Lenders. Upon the Lenders' request, Pledgor shall deliver to the Lenders evidence of Pledgor's ownership of the Collateral as the Lenders may require.

4. *Financing Statements.* Pledgor hereby irrevocably appoints each Lender as its agent and attorney-in-fact (which appointment shall be deemed to be an agency coupled with an interest) to execute on its behalf financing statements and other documents necessary to perfect each Lenders' security interest in the Collateral, and hereby further authorizes each Lender to file on its behalf such financing statements and such other documents in any appropriate public office. Pledgor also shall execute from time to time, alone or with a Lender, any financing statements or other documents and do such other act or acts considered by any Lender to be necessary or desirable to perfect or protect the security interest hereby created, and pay all costs and expenses, (including without limitation reasonable fees and expenses of counsel and filing fees) related to the preparation and filing of any financing statements, amendments, continuation statements or other documents related to the perfection or protection of the security interest hereby created.

5. *Further Assurances.* Pledgor will defend its title to the Collateral against all persons and will, upon the Lenders' request: (a) furnish such further assurances of title as the Lenders may

require; and (b) deliver and execute, in form and content satisfactory to the Lenders, any financing, continuation, termination or security interest filing statement, security agreement, or other document as the Lenders may request in order to perfect or maintain the Lenders' security interest in the Collateral and its priority. Pledgor will pay the costs of filing any financing, continuation, termination or security interest filing statement as well as any recordation or transfer tax to be paid in connection with filing or recording any such statement. A carbon, photographic or other reproduction of a security agreement or a financing statement is sufficient as a financing statement.

6. *Transfer and Other Liens.* Pledgor will not sell, lease, transfer, exchange or otherwise dispose of any part of the Collateral without the Lenders' prior written consent and will not permit any lien or encumbrance to attach to any part of the Collateral other than those in favor of the Lenders or those that the Lenders permit in writing.

7. *Financial Statements, Books and Records.* Pledgor will: (a) at all times maintain accurate and complete books and records pertaining to its operation, business and financial condition and to the Collateral; (b) furnish to the Lenders promptly upon request such financial statements, reports, schedules and other information with respect to Pledgor's operation, business affairs and financial condition as the Lenders may require; (c) at all reasonable times permit any Lender or any person any Lender designates to enter any place of business of Pledgor or any other premises where any books, records and other data concerning Pledgor or the Collateral may be kept and to examine any such books, records and other data; (d) furnish to the Lenders promptly upon request data concerning the Collateral as the Lenders may from time to time specify; and (e) mark its books and records in a manner satisfactory to the Lenders so that the Lenders' rights in and to the Collateral will be shown.

8. *Name of Pledgor, Place(s) of Business, and Location of Collateral.* Without the each of the Lenders' prior written consent, Pledgor will not change its name, dissolve, merge or consolidate with any other person. Pledgor warrants that the address of Pledgor's principal office and the address of each other place of business are as specified below the signature lines of this Agreement. All books and records pertaining to the Collateral have been, are and will be located at Pledgor's principal office specified below or at any other place of business that may be specified below. Pledgor will immediately advise the Lenders in writing of the opening of any new place of business and of any change in the location of the places where the books and records concerning the Collateral are kept.

9. *Taxes.* Pledgor will pay all taxes, levies, license fees, assessments and other impositions levied on any part of the Collateral when due.

10. *Performance by the Lenders.* If Pledgor fails to comply with any of the terms contained in this Agreement, any Lender, without notice to Pledgor and without waiving or releasing any of Pledgor's Liabilities or any Event of Default, may at any time thereafter perform such terms for the account at Pledgor's expense, and may enter upon any place of business or other premises of Pledgor for that purpose and take all such action thereon as such Lender may consider necessary or appropriate. Pledgor shall pay to such Lender on demand all sums, costs and expenses paid or advanced by such Lender in connection with the foregoing (collectively, the "Expense Payments"), together with interest thereon at an annual rate of interest that is equal to the then

highest rate of interest charged on the principal of any of Pledgor's Liabilities, plus one percent (1%) per annum, from the date of payment until repaid in full.

11. *Default.* The occurrence of any one or more of the following events shall constitute an event of default under this Agreement: (a) Pledgor's failure to pay any of Pledgor's Liabilities as and when due and payable; (b) Pledgor's failure to comply with any of the provisions of this Agreement or of the Notes; (c) the occurrence of an event of default under the Notes; (d) the filing of any petition for relief under the Bankruptcy Code or any similar Federal or state statute by or against Pledgor; (e) an application for the appointment of a receiver for, the making of a general assignment for the benefit of creditors by, or the insolvency of Pledgor; or (f) the dissolution, merger, consolidation or reorganization of Pledgor (collectively, "Events of Default").

12. *Rights and Remedies upon Default.* Upon the occurrence of an Event of Default hereunder, the Lenders may, at their option, and without notice to Pledgor, declare the unpaid balance of Pledgor's Liabilities to be immediately due and payable. The Lenders shall have all of the rights and remedies of a secured party under the Georgia Uniform Commercial Code and other applicable laws. Upon the occurrence of an Event of Default hereunder, Pledgor, upon demand by the Lenders, shall assemble the Collateral and make it available to the Lenders at a place the Lenders designate that is mutually convenient to the parties.

Any required written notice of the sale, disposition or other intended action by the Lenders with respect to the Collateral that is sent by certified mail, postage prepaid, to Pledgor at the address of Pledgor's principal office specified below, or such other address of Pledgor that may from time to time be shown on the Lenders' records, at least ten (10) days prior to such sale, disposition or other action, shall constitute reasonable notice to Pledgor. Pledgor shall pay on demand all costs and expenses, including, without limitation, attorneys' fees and expenses, incurred by or on behalf of the Lenders: (a) in enforcing Pledgor's Liabilities; and (b) in connection with the taking, holding, preparing for sale or other disposition, selling, managing, collecting or otherwise disposing of the Collateral. Pledgor shall pay all of such costs and expenses (collectively, the "Liquidation Costs") together with interest thereon at an annual rate of interest that is equal to the then highest rate of interest charged on the principal of any of Pledgor's Liabilities, plus one percent (1%) per annum, from the date of payment until repaid in full, which Liquidation Costs shall constitute and become a part of Pledgor's Liabilities secured hereby. The Lenders shall apply any proceeds of sale or other disposition of the Collateral to the payment of Liquidation Costs and Expense Payments. The Lenders shall apply any balance of such proceeds to the payment of the remaining Pledgor's Liabilities in such order and manner of application as the Lenders may determine.

13. *Source Code Escrow Agreement.* In the event that Lenders, acting in good faith and in a commercially reasonable manner, deem themselves insecure, Pledgor shall, upon Lenders' written request, place in escrow with an escrow agent mutually agreeable to Pledgor and Lenders, the source code for all software that is either: (a) owned by Pledgor; or (b) used in Pledgor's business and that is in Pledgor's possession.

14. *Deficiency.* Pledgor shall remain liable for any deficiency remaining after the sale or other disposition of the Collateral.

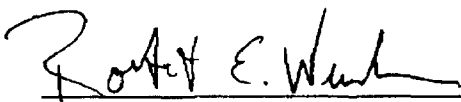
15. *Remedies Cumulative.* Each right, power and remedy of the Lenders as provided for in this Agreement, the Notes or at law or in equity shall be cumulative, concurrent and in addition to every other such right, power or remedy. The Lenders' exercise of any one or more of such rights, powers or remedies shall not preclude the Lenders' exercise of any or all such other rights, powers or remedies.

16. *Waiver.* No failure or delay by the Lenders to insist upon the strict performance of any term of this Agreement or of the Notes, or to exercise any right or remedy upon a breach thereof shall constitute a waiver of any such term or of any such breach, or preclude the Lenders from exercising any such right, power or remedy at any later time. By accepting payment after the due date of any of Pledgor's Liabilities, the Lenders shall not be deemed to have waived the right either to require payment when due of all other Pledgor's Liabilities or to declare an Event of Default for failure to effect such payment of any such other Pledgor's Liabilities. Pledgor waives presentment, notice of dishonor and notice of non-payment with respect to accounts and chattel paper.

17. *Miscellaneous.* The paragraph headings of this Agreement are for convenience only and shall not limit or otherwise affect any of the terms hereof. Any term of this Agreement may only be changed by an instrument in writing signed by the party against whom enforcement of the change is sought. This Agreement shall be governed by the laws of the State of Georgia, shall be binding upon the successors, and assigns of Pledgor and shall inure to the benefit of the successors and assigns of the Lenders. As used herein, the singular number shall include the plural, the plural the singular, and the use of the masculine, feminine or neuter gender shall include all genders, as the context may require, and the term "person" shall include an individual, a corporation, an association, a partnership, a trust and an organization. Unless varied by this Agreement, all terms used herein that are defined by the Georgia Uniform Commercial Code shall have the same meanings hereunder as assigned to them by the Georgia Uniform Commercial Code.

IN WITNESS WHEREOF, Pledgor has executed this Security Agreement under seal, as of the day and year first above written.

LASTMINUTETRAVEL.COM, INC.

By: 
Robert E. Wendling, Chief Operating Officer

[SEAL]