



To the Honorable Commissioner of

102100882

e attached original documents or copy thereof.

1. Name of conveying party(ies):

Private Healthcare Systems, Inc.

- Individuals
- General Partnership
- Corporate-State Delaware
- Other
- Association
- Limited Partnership

5-23-02

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

3. Nature of conveyance:

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

Execution Date: May 17, 2002

2. Name and address of receiving party(ies):

Name: Fleet National Bank  
 Internal Address:  
 Street Address: 100 Federal Street  
 City: Boston State MA ZIP 02110

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

If assignee is not domiciled in the United States, a domestic representative designation is attached:  yes  no  
(Designation must be a separate document from assignment) Additional name(s) & address(es) attached?  yes  no

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

A. Trademark Application No(s)

1. 78086639 (10/3/01)

B. Trademark Registration No.(s)

- 1. 1,477,965 (2/23/88)
- 2. 1,510,383 (10/25/88)
- 3. 1,735,797 (11/24/92)
- 4. 1,976,826 (do not know file date)

Additional numbers attached?  Yes  No

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

Name: Ms. Judy Radoccia  
 Internal Address: Edwards & Angell, LLP  
 Street Address: 101 Federal Street  
 City: Boston State MA ZIP 02110

6. Total number of applications and registrations involved ..... 5

7. Total fee (37 CFR 3.41)..... \$140.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit Account Number:

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

05/23/2002 BYRNE 00000161 78086639

DO NOT USE THIS SPACE

01 FC:481 40.00 DP  
02 FC:902 100.00 DP

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.

Judy Radoccia  
Name of Person Signing

*Judy Radoccia*  
Signature

5/22/02  
Date

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

## SECURITY AGREEMENT (TRADEMARKS)

This Security Agreement (Trademarks) is made as of May 17, 2002 by PRIVATE HEALTHCARE SYSTEMS, INC. (the "Debtor") in favor of FLEET NATIONAL BANK (the "Secured Party").

### 1. Recitals.

A. The Debtor and the Secured Party are entering into a Credit Agreement of even date herewith (as the same may be amended, restated, renewed, replaced, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Secured Party has agreed to lend and to make certain other financial accommodations available to Debtor upon and subject to the terms and conditions thereof. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

B. The Debtor is the owner of all right, title and interest, in and to all registered U.S. and foreign trademarks, common law trademarks, trade names, corporate names, company names, business names, fictitious names, trade styles, service marks, logos, other source or business identifiers used in its businesses as presently operated, all registrations and recordings thereof, or in any applications in connection therewith, including those that now exist or may exist in the U.S. Patent and Trademark Office ("USPTO"), or in any similar office of the United States or any foreign jurisdiction, all reissues, extensions, or renewals thereof, and all goodwill of the business symbolized by any trademark, including but not limited to those identified in Schedule A hereto (collectively, the "Trademarks"). The Secured Party, for the benefit of itself, its successors and assigns, subject to the terms and agreements contained herein, wishes to acquire a security interest in all of the Debtor's existing and future right, title and interest in the Trademarks, together with all of the goodwill of the business in connection with such right, title and interest, as security for the Obligations (as defined in the Credit Agreement).

2. Security Interest. The Debtor does hereby grant to the Secured Party a security interest in all of its existing and hereafter acquired U.S. and foreign trademarks, service marks, trade names and assumed names, including without limitation, all of its right, title and interest in the Trademarks listed on Schedule A hereto, together with all of the goodwill of the business in connection therewith, all claims for damage by reason of infringement relating thereto, and any and all proceeds thereof and general intangibles relating thereto (all of the foregoing, collectively the "Collateral"). The security interest hereby granted in the Collateral shall secure the Obligations.

3. Further Assurances. The Debtor hereby agrees to execute and sign, without further consideration, any other legal document and to do all other acts that may be reasonably necessary to secure to the Secured Party its interests as aforesaid in and to said applications or any part thereof and in and to the Collateral. The Debtor further covenants and agrees that at the same time it provides the Secured Party with quarterly financial statements pursuant to the Credit Agreement, it will inform the Secured Party of any material facts known to it relating to the Collateral, including, without limitation, any new applications made by the Debtor for registration in any jurisdiction, the filing of any verified amendments or statements of use for any

U.S. applications, and the acquisition from a third party of any application or registration. Any other new Trademarks or other intellectual property hereafter acquired shall be identified to the Secured Party and automatically included in this Agreement. Notwithstanding the foregoing provisions of this Section 3, the Debtor shall advise the Secured Party of the USPTO serial numbers for the U.S. trademark applications listed in Schedule A within thirty days of the Debtor's receipt of the same.

4. Liens. The Debtor does hereby covenant for itself and its legal representatives that there is no existing Lien on any of the Collateral, except for Liens permitted pursuant to the Credit Agreement. The Debtor will not license or encumber any of the Collateral without the express prior written consent of the Secured Party.

5. Use of Collateral. Until the Debtor shall be in default under Section 6 hereof, the Debtor may exercise any and all rights with respect to the Collateral, including any right to pursue and enforce any and all claims for damage by reason of infringement of the Collateral.

6. Default. The Debtor shall be in default hereunder upon the occurrence and during the continuation of any Event of Default under the Credit Agreement. Notice of the time and place of any public sale, or of the date after which a private sale of the Collateral granted to the Secured Party hereby, shall be deemed reasonable if given at least 10 days before the date of any public sale or the date after which a private sale shall take place. The Secured Party may deduct from the proceeds of any such sale its costs and expenses of taking, holding and selling such Collateral, including its reasonable attorneys fees. If, as provided in the first sentence of this Section 6, the Debtor is in default hereunder, the Debtor expressly agrees to execute an assignment of the Trademarks to the Secured Party, together with the good will associated with the Trademarks and the right to sue for past infringement and collect all royalties that may be due.

7. Miscellaneous. The benefits and obligations of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws (other than the conflict of laws rules) of the State of New York. **THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER SEAL AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF A SECURITY INTEREST GRANTED HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE REQUIRED TO BE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK. THE DEBTOR AND THE SECURED PARTY AGREE THAT NEITHER IT NOR ANY ASSIGNEE OR SUCCESSOR SHALL (A) SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR ANY OTHER ACTION BASED UPON, OR ARISING OUT OF, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, ANY COLLATERAL OR THE DEALINGS OR THE RELATIONSHIP BETWEEN THE DEBTOR AND THE SECURED PARTY OR (B) SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY**

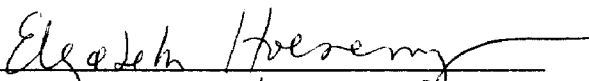
**DISCUSSED BY THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NEITHER THE SECURED PARTY NOR THE DEBTOR HAVE AGREED WITH OR REPRESENTED TO ANY OTHER THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. THE DEBTOR HEREBY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS AND THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS AND THE SOUTHERN DISTRICT OF NEW YORK, AS WELL AS TO THE JURISDICTION OF ALL COURTS FROM WHICH AN APPEAL MAY BE TAKEN OR OTHER REVIEW SOUGHT FROM THE AFORESAID COURTS, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF ANY OF THE DEBTOR'S OBLIGATIONS UNDER OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREBY, AND EXPRESSLY WAIVES ANY AND ALL OBJECTIONS IT MAY HAVE AS TO VENUE IN ANY OF SUCH COURTS.**

**\*The Next Page is the Signature Pages.\***

Each of the undersigned has caused this Security Agreement (Trademarks) to be signed by its duly authorized officer under seal as of the day and year first written above.

SECURED PARTY:

FLEET NATIONAL BANK


By:   
Name: ELIZABETH HOENEMEYER  
Title: VICE PRESIDENT

Address for Notices:

Fleet National Bank  
100 Federal Street  
Mail Stop: MA DE 10007D  
Boston, MA 02110  
Attention: Elizabeth Hoenemeyer  
Telecopier No.: (617) 434-4890

DEBTOR:

PRIVATE HEALTHCARE SYSTEMS, INC.

By:   
Name: KEVIN O'REILLY  
Title: CONTROLLER

State of MASSACHUSETTS  
County of MIDDLESEX

MAY 17, 2002

Then personally appeared the above named KEVIN O'RILLY, and acknowledged that he/she executed the foregoing Security Agreement (Trademarks) as his/her free act and deed before me on behalf of foregoing Debtor, as duly authorized agent thereof.

Kathleen M. Larran  
Notary Public

My commission expires: August 23, 2002

State of  
County of

Massachusetts  
Suffolk

May 17, 2002

Then personally appeared the above named Elizabeth Hoeremeyer, and acknowledged that he/she executed the foregoing Security Agreement (Trademarks) as his/her free act and deed before me on behalf of the foregoing Secured Party, as duly authorized agent thereof.

Melissa Ann Dumont

Notary Public

My commission expires:

MELISSA ANN DUMONT, NOTARY PUBLIC  
MY COMMISSION EXPIRES OCTOBER 11, 2007

Signature: Page to Security Agreement (Trademarks)

**TRADEMARK**  
**REEL: 002511 FRAME: 0926**

Trademark Registrations

Owner	Trademark (U.S.)	Reg. No./ Reg. Date	Assignment History	Comments
Private Healthcare Systems, Inc.	PHCS	1,477,965/ 02-23-1988	"Live and Let Live" agreement in place with HIAA (Health Insurance Association of America)	Expires 02-23-2008
Private Healthcare Systems, Inc.	PHCS PRIVATE HEALTHCARE SYSTEMS LTD. & design	1,510,383/ 10-25-1988	This mark was amended on February 18, 1997 to PRIVATE HEALTHCARE SYSTEMS, INC. to reflect the company reorganization from a partnership to a corporation.	As amended on 02/18/1997  Expires 10-25-2008
Private Healthcare Systems, Inc.	PHCS MEDICAL MANAGEMENT SYSTEM	1,735,797/ 11/24/1992		Allowed to lapse since no longer in use
Private Healthcare Systems, Inc.	PHCS WELLNESS PROGRAM & design	1,976,826	"Live and Let Live" agreement in place with Baylor Health Care System.	Allowed to lapse since no longer in use

In addition to the marks listed above, the Debtor uses the following marks which Debtor has not registered and has no plans to register:

- a. PHCS *Access Advantage*
- b. PHCS *National Advantage*
- c. PHCS *e-price*



- d. PHCS *e-evaluator*
- e. PHCS *DataLink*
- f. PHCS *Open Access*
- g. PHCS *Health Direction*

**Trademark Applications**

<b>Owner</b>	<b>Trademark (U.S.)</b>	<b>Application. No./Filing Date</b>	<b>Assignment History</b>	<b>Comments</b>
Private Healthcare Systems, Inc.	PHCS PRIVATE HEALTHCARE SYSTEMS LTD. & design	Serial Number: 78086639 Filing Date: 10/03/01	PHCS has changed its logo design.	Still pending

**Common Law Trademarks**

None

BOS\_320948\_4/JEGAN