

05-28-2002

Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)
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U.S. DEPARTMENT OF
COMMERCE
U.S. Patent and Trademark Office

102103987

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

1. Name of conveying party(ies):

VALARAN CORPORATION

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

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

2. Name and address of receiving party(ies)

Name: PNC BANK, NATIONAL ASSOCIATION

Internal Address: COMMERCIAL LOAN SERVICE
CENTER/DCC

Street Address: 500 FIRST AVENUE

City: PITTSBURGH State: PA Zip: 15219

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

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:

5-21-02

- Assignment Merger
- Security Agreement Change of Name
- Other Rider to VentureStart Loan and Security
Agreement - Trademarks

Execution Date: MARCH 12, 2001

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

A. Trademark Application No.(s)

- 76/091205
- 76/199899
- 76/200122

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

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

Name: Mark R. Leslie, Esq.

Internal Address: Kirkpatrick & Lockhart LLP

Henry W. Oliver Building

Street Address: 535 Smithfield Street

City: Pittsburgh State: PA Zip: 15222

6. Total number of applications and registrations involved:..... 3

7. Total fee (37 CFR 3.41)..... \$ 90.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

11-1110

(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.

Mark R. Leslie

Name of Person Signing

Signature

May 21, 2002

Date

Total number of pages including cover sheet, attachments, and document: 9

05/24/2002 DBTRNE

00000175 76091205

40.00 OP
50.00 DP

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

01 FC:481
02 FC:482

RIDER TO VENTURESTARTSM LOAN AND SECURITY AGREEMENT - TRADEMARKS

THIS RIDER TO VENTURESTARTSM LOAN AND SECURITY AGREEMENT ("Rider") is executed as of March 12, 2001, by and between VALARAN CORPORATION, a Delaware corporation (the "Grantor"), with an address at 214 Carnegie Center, Suite 106, Princeton, New Jersey, 08540, and PNC BANK, NATIONAL ASSOCIATION (the "Bank"). This Rider is incorporated into and made part of that certain VentureStartSM Loan and Security Agreement ("Loan Agreement") between the Grantor and the Bank dated March 12, 2001, and also into certain other financing documents and security agreements executed by and between the Grantor and the Bank or by and between the Borrower (as defined in the Loan Agreement) and the Bank (all such documents including this Rider being collectively referred to as "Loan Documents"). All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

The Grantor has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on Schedule A attached hereto and made part hereof (all such marks or names hereinafter referred to as the "Trademarks")

The Bank desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Grantor associated therewith and represented thereby, as security for all of the Obligations (as defined in the Loan Agreement) to the Bank, and the Bank desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW, THEREFORE, with the foregoing background deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. **Grant of Security Interest.** In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, the Grantor grants a lien and security interest to the Bank in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill of the Grantor associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits. To the extent any of Grantor's trademark rights are reflected in Intent to Use (ITU) applications, the Grantor covenants to grant all appropriate liens and security interests upon the acceptance by the United States Patent and Trademark Office of an Amendment to Allege Use or a Statement of Use.

2. **Representations and Warranties.** Subject to the disclosures set forth pursuant to the Loan Agreement of even date by and between the Grantor and the Bank, the Grantor

represents, warrants and covenants that: (a) except as otherwise provided in or resulting from the Loan Documents, the Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges, and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Grantor not to sue third persons and (b) the Grantor has the unqualified right to enter into this Rider and perform its terms.

3. **[Blank]**.

4. **Covenants**. The Grantor covenants that: (a) Until all of the Obligations have been satisfied in full, the Grantor will not enter into any agreement which is inconsistent with the Grantor's obligations under this Rider or which restrict or impair the Bank's rights hereunder; (b) If the Grantor registers or applies to register any new Trademarks, the provisions of this Rider shall automatically apply thereto and the Grantor shall give the Bank prompt written notice thereof along with an amended Schedule A and (c) the Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with respect to the Trademarks.

5. **Exclusive Use of Trademarks**. So long as this Rider is in effect and so long as the Grantor has not received notice from the Bank that an Event of Default has occurred under the Loan Documents and that the Bank has elected to exercise its rights to assignment hereunder, the Grantor shall continue to have the exclusive ownership of the Trademarks and the Bank shall have no ownership or other right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. **Negative Pledge**. Notwithstanding anything to the contrary contained in this Agreement, the Grantor agrees not to sell or assign its rights and interest in the Trademarks without the prior written consent of the Bank.

7. **Remedies Upon Default**.

(a) Anything herein contained to the contrary notwithstanding, if and while an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that the Bank, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in Pennsylvania, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of an Event of Default under the Loan Documents and while such Event of Default exists, the Grantor hereby authorizes and empowers the Bank to make, constitute and appoint any officer or agent of the Bank as the Bank may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for the Bank to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Bank to assign, pledge, convey or otherwise

transfer title in or dispose of the Trademarks to anyone else. This power of attorney shall be irrevocable for the life of this Rider and the Loan Documents, and until all the Obligations are satisfied in full. Grantor acknowledges and agrees that this power of attorney is solely for the benefit of the Bank and not for the benefit of the Grantor.

(c) The Grantor expressly acknowledges that a Grant of Security Interest in Trademarks, Service Marks and Trademarks or equivalent document shall be recorded with the Patent and Trademark Office in Washington, D.C. Upon the occurrence of an Event of Default and during the continuance thereof, the Grantor shall also execute and deliver to the Bank such documents as the Bank shall reasonably request to permanently assign all rights in the Trademarks to the Bank. After such occurrence, the Bank may, at its sole option, record any such documents with the Patent and Trademark Office.

8. **Subject to Loan Agreement.** This Rider shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

9. **Inconsistent with Loan Agreement.** All rights and remedies herein granted to the Bank shall be in addition to any rights and remedies granted to the Bank under the Loan Documents. In the event of an inconsistency between this Rider and the Loan Agreement, the language of the Loan Agreement shall control. The terms and conditions of the Loan Agreement are hereby incorporated herein by reference.

10. **Termination of Agreement.** Upon payment and performance of all Obligations under the Loan Documents, the Bank shall immediately execute and deliver to the Grantor all documents, and take any and all actions, necessary to re-vest all rights in and to the Trademarks in the Grantor and/or terminate any interest of the Bank therein.

11. **Prosecution of Trademark Applications.** After and during the continuance of an Event of Default, the Grantor shall have the exclusive right, in its sole discretion, to bring suit in its own name to enforce the Trademarks.

12. **Additional Remedies.** Upon the occurrence of an Event of Default under the Loan Documents, the Bank may, without any obligation to do so, complete any obligation of the Grantor hereunder, in the Grantor's name or in the Bank's name, but at the Grantor's expense, and the Grantor hereby agrees to reimburse the Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Bank in protecting, defending and maintaining the Trademarks.

13. **Governing Law.** THIS RIDER WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, EXCLUDING ITS CONFLICT OF LAW RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

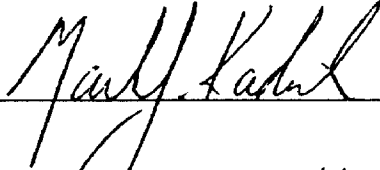
14. **Counterparts.** This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument.

[Signature Page to RIDER TO VENTURESTARTSM LOAN AND SECURITY AGREEMENT -
TRADEMARKS]

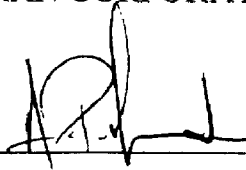
WITNESS the due execution hereof as a document under seal, as of the date first written above.

WITNESS/ATTEST:

VALARAN CORPORATION



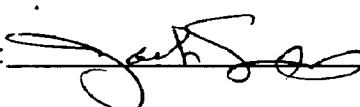
Print Name: MARK J. KADISH

By: 

(SEAL)

Print Name: ANDREW MAUNDER
Title: CEO

PNC BANK, NATIONAL ASSOCIATION

By: 

(SEAL)

Print Name: JACK SWIRE
Title: DIRECTOR

STATE OF New Jersey)
)
COUNTY OF Middlesex) ss:

On this, the 12 day of March, 2001, before me, a Notary Public, the undersigned officer, personally appeared Andrew Mawder, who acknowledged himself/herself to be the CEO of VALARAN CORPORATION, a Delaware corporation, and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Michelle Zelinski
Notary Public

My commission expires: Aug 15, 2001

MICHELLE ZELINSKI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 15, 2001

STATE OF New Jersey
COUNTY OF Middlesex

)
)
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SS:

On this, the 12 day of March, 2001, before me, a Notary Public, the undersigned officer, personally appeared Jack Suire, who acknowledged himself/herself to be the Director of PNC BANK, NATIONAL ASSOCIATION and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Michelle Zelinski
Notary Public

My commission expires: Aug 15, 2001

MICHELLE ZELINSKI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Aug. 15, 2001

SCHEDULE A TO RIDER TO SECURITY AGREEMENT - TRADEMARKS

Registered Trademarks [and ITU Applications for which
an Amendment to Allege Use or Statement of Use Has Been Accepted]

Registration/ Serial No.	Mark	Registration/ Filing Date	Country
None			

Pending Intent to Use Trademark Applications

Serial No.	Mark	Filing Date	Country
76/091205	Valaran Trademark / Service Mark	7/18/00	United States
76/199899	Valaran and Design Trademark / Service Mark	1/25/01	United States
76/200122	Design Trademark / Service Mark	1/25/01	United States

Pending Foreign Trademark Applications

Application No.	Mark	Filing Date	Country
2.027.506	Valaran	12/22/00	Europe / CTM