

MKD
7-9-02

TRADEMARK RECORDATION COVER SHEET

U.S. Patent and Trademark Office
Office of Public Records
Attn: Customer Services Counter
1213 Jefferson Davis Highway, 3rd Floor
Arlington, Virginia 22202-3513

07-09-2002



102147469

Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): VeriFone, Inc.</p> <p style="text-align: right; font-size: 2em;">07/09/02</p> <p><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 <u>Delaware</u> <input type="checkbox"/> Other _____</p> <p>Additional name(s) conveying party(ies) attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies):</p> <p>Name: <u>Foothill Capital Corporation</u> Street Address: <u>2450 Colorado Avenue,</u> <u>Suite 3000 West</u> City <u>Santa Monica</u> State <u>CA</u> Zip <u>90404</u></p> <p><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 <u>California</u> <input type="checkbox"/> Other _____</p> <p>If assignee is not domiciled in the United States, A domestic representative designation is attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(Designation must be a separate document from Assignment)</p> <p>Additional name(s) and address(es) attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of conveyance:</p> <p><input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____</p> <p>Execution Date: <u>July 1, 2002</u></p>	
<p>4. Application number(s) or registration number(s)</p> <p>A. Trademark Application No(s):</p> <p>07/09/2002 6TON11 00000248 2198667</p> <p>01 FC:481 40.00 OP 02 FC:482 900.00 OP</p>	<p>See attached Exhibit A</p> <p>B. Trademark Registration No(s):</p>
<p>5. Name and address of party to whom correspondence concerning documents should be mailed:</p> <p>Name: <u>Danielle Garcia</u> Street Address: <u>Mayer, Brown, Rowe & Maw,</u> <u>350 S. Grand Avenue, 25th Floor</u> City: <u>Los Angeles</u> State: <u>CA</u> Zip: <u>90071</u></p>	<p>6. Total number of applications and registrations involved: <u>37</u></p> <p>7. Total fee (37 CFR 3.41) <u>\$ 940.00</u></p> <p><input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____ (Attach duplicate copy of this page if paying by deposit account)</p>

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.

Danielle Garcia
Name of Person Signing

Signature

7/5/02
Date

EXHIBIT A

List of Trademarks

	Trademark	Status	Reg./Serial Number
1.	CENTUM	Registered	2,198,667
2.	CHECKPAK	Registered	2,355,820
3.	DIAMOND RETAILER	Registered	2,110,899
4.	EVEREST	Registered	2,044,480
5.	FIRST GLOBAL	Registered	2,333,548
6.	OMNI	Registered	1,997,215
7.	OMNICAP	Registered	1,928,506
8.	OMNICHECK	Registered	1,935,842
9.	OMNIPAK	Pending	75/401080
10.	ONESOURCE	Registered	2,021,671
11.	PAYLANE	Registered	2,244,824
12.	PEARL	Registered	2,322,047
13.	PINSTRIP	Registered	1,501,018
14.	PRINTPAK	Registered	2,091,898
15.	PROFITNOW	Registered	1,993,981
16.	RUBY SUPERSYSTEM	Registered	1,877,125
17.	SC	Registered	2,133,623
18.	SOFTPAY	Registered	2,095,822
19.	SOFTPOS	Registered	2,276,259
20.	TRANZ	Registered	1,732,650
21.	TRANZSTAND	Registered	2,007,438
22.	TXO	Registered	1,734,489
23.	VERICARE	Registered	2,052,479
24.	VERICENTRE	Pending	75/930458
25.	VERIFAST	Registered	2,141,173
26.	VERIFONE	Registered	1,729,013
27.	VERIFONE	Registered	1,229,416
28.	VERIPASS	Pending	78/039458
29.	VERIPATH	Registered	2,145,322
30.	VERISHIELD	Pending	75/895495
31.	VERISMART	Pending	78/029775
32.	VERITALK	Registered	2,082,204
33.	VERIX	Pending	75/950880
34.	VF & Design	Registered	1,539,077
35.	VLM	Registered	2,346,075
36.	XTRASOFT	Registered	1,340,210
37.	ZON	Registered	1,535,102

**COLLATERAL ASSIGNMENT OF TRADEMARKS
(SECURITY AGREEMENT)**

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS (SECURITY AGREEMENT) dated July 1, 2002 (this "Security Agreement"), is made between **VERIFONE, INC.**, a Delaware corporation, as successor in interest to VeriFone MergerSub, Inc. by operation of merger, with its chief executive office located at 2455 Augustine Drive, Santa Clara, California 95054 ("Pledgor"), and **FOOTHILL CAPITAL CORPORATION**, a California corporation with an office at 2450 Colorado Boulevard, Suite 3000 West, Santa Monica, California 90404 ("Pledgee"), as agent for the Lenders (as defined below).

W I T N E S S E T H:

WHEREAS, Pledgee, the lenders from time to time party thereto (the "Lenders") and Pledgor, have entered into that certain Loan and Security Agreement, dated as of the date hereof (together with all documents in connection therewith, "Loan Documents"), pursuant to which the Lenders will provide certain financial accommodations to Pledgor;

WHEREAS, Pledgor owns all right, title, and interest in and to, among other things, all the trademarks, United States trademarks and trademark registrations, and the trademark applications and tradenames, set forth on Exhibit A hereto (the "Trademarks"); and

WHEREAS, in order to secure Pledgor's obligations to the Lenders under the Loan Agreement, Pledgor has agreed to grant to Pledgee a security interest in the Trademarks and the goodwill and certain other assets with respect to the Trademarks, as further set forth herein, and Pledgee has requested Pledgor to enter into this Security Agreement to further evidence such security interest.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for valuable consideration received and to be received, as security for the full payment and performance of Pledgor's Obligations (as defined in the Loan Agreement), and to induce the Lenders to make loans and advances to Pledgor, Pledgor hereby grants to Pledgee a security interest in:

- (a) the Trademarks;
- (b) all registrations of the Trademarks in any State of the United States and any foreign countries and localities;
- (c) all tradenames, trademarks and trademark registrations hereafter adopted or acquired and used, including, but not limited to, those which are based upon or derived from the Trademarks or any variations thereof (the "Future Trademarks");
- (d) all extensions, renewals, and continuations of the Trademarks and Future Trademarks and the registrations referred to in clause (b) above;
- (e) all rights to sue for past, present and future infringements of the Trademarks and Future Trademarks;

(f) all packaging, labeling, trade names, service marks, logos, and trade dress including or containing the Trademarks and Future Trademarks, or a representation thereof, or any variation thereof;

(g) all licenses and other agreements under which Pledgor is licensor, and all fees, rents, royalties, proceeds or monies thereunder, relating to the Trademarks and Future Trademarks and the use thereof; and

(h) all goodwill of Pledgor's business connected with, symbolized by or in any way related to the items set forth in clauses (a) through (g) above.

All of the foregoing items set forth in clauses (a) through (h) are hereinafter referred to collectively as the "Collateral."

AND Pledgor hereby covenants with Pledgee as follows:

1. Pledgor's Obligations. Pledgor agrees that, notwithstanding this Security Agreement, it will perform and discharge and remain liable for all its covenants, duties, and obligations arising in connection with the Collateral and any licenses and agreements related thereto. Neither Pledgee nor any Lender shall have any obligation or liability in connection with the Collateral or any licenses or agreements relating thereto by reason of this Security Agreement or any payment received by Pledgee or any Lender relating to the Collateral, nor shall Pledgee or any Lender be required to perform any covenant, duty or obligation of Pledgor arising in connection with the Collateral or any license or agreement related thereto or to take any other action regarding the Collateral or any such licenses or agreement.

2. Representations and Warranties. Pledgor represents and warrants to Pledgee that:

(a) Pledgor is the owner of the Collateral, and, except as set forth in Schedule 2(a) hereto, no adverse claims are pending, or to the best of Borrower's knowledge, threatened, with respect to its title to or the validity of the Collateral;

(b) to the best of Borrower's knowledge, after due inquiry, the Trademarks are the only trademark registrations and trademark applications in which Pledgor has any right, title and interest;

(c) none of the Collateral is subject to any mortgage, pledge, lien, security interest, lease, charge, encumbrance or license (by Pledgor as licensor), except for Pledgee's interests granted hereunder; and

(d) when this Security Agreement is filed in the United States Patent and Trademark Office and the Pledgee has taken the other actions contemplated in this Security Agreement and by the other Loan Documents, this Security Agreement will create a legal and valid perfected and continuing lien on and security interest in the Collateral in favor of Pledgee, enforceable against Pledgor and all third parties, subject to no other mortgage, lien, charge, encumbrance, or security or other interest.

3. Covenants. Pledgor will maintain the Collateral, defend the Collateral against the claims of all persons, and will maintain and renew all registrations of the Collateral; provided, however, that Pledgor will not be required to maintain any Collateral which, in Pledgor's good faith opinion, no longer has any material economic value. Pledgor will maintain the same standard of quality (which Pledgee has reviewed) for the goods and services in connection with which the Trademarks are used as Pledgor maintained for such goods and services prior to entering into this Security Agreement. Pledgee shall have the right to enter upon Pledgor's premises, subject to the limitations set forth in Section 4.6 of the Loan Agreement, to monitor such quality standards. Without limiting the generality of the foregoing, and so long as any Trademark or Future Trademark has any material economic value, Pledgor shall not permit the expiration, termination or abandonment of such Trademark or Future Trademark without giving Pledgee reasonable notice thereof. If, before the Pledgor's obligations under the Loan Agreement have been satisfied in full and the Loan Documents have been terminated, Pledgor shall obtain rights to or be licensed to use any new trademark, or become entitled to the benefit of any trademark application or trademark registration, the provisions of Section 1 hereof shall automatically apply thereto and Pledgor shall give Pledgee prompt notice thereof in writing.

4. Use Prior to Default. Effective until Pledgee's exercise of its rights and remedies upon an Event of Default under and as defined in the Loan Documents (an "Event of Default"), Pledgor shall be entitled to use the Collateral in the ordinary course of its business, subject to the terms and covenants of the Loan Documents and this Security Agreement.

5. Remedies Upon Default. Whenever any Event of Default shall occur and be continuing, Pledgee shall have all the rights and remedies granted to it in such event by the Loan Documents, which rights and remedies are specifically incorporated herein by reference and made a part hereof, and any and all rights and remedies of law available to Pledgee or any Lender. Pledgee in such event may collect directly any payments due to Pledgor in respect of the Collateral and may sell, license, lease, assign, or otherwise dispose of the Collateral in the manner set forth in the Loan Documents. Pledgor agrees that, in the event of any disposition of the Collateral upon any such Event of Default, it will duly execute, acknowledge, and deliver all documents necessary or advisable to record title to the Collateral in any transferee or transferees thereof, including, without limitation, valid, recordable assignments of the Trademarks or Future Trademarks. In the event Pledgor fails or refuses to execute and deliver such documents, Pledgor hereby irrevocably appoints Pledgee as its attorney-in-fact, with power of substitution, to execute, deliver, and record any such documents on Pledgor's behalf. Notwithstanding any provision hereof to the contrary, during the continuance of an Event of Default, Pledgor may sell any merchandise or services bearing the Trademarks and Future Trademarks in the ordinary course of its business and in a manner consistent with its past practices, until it receives written notice from Pledgee to the contrary. The preceding sentence shall not limit any right or remedy granted to Pledgee with respect to Pledgor's inventory under the Loan Documents or any other agreement now or hereafter in effect.

6. Cumulative Remedies. The rights and remedies provided herein are cumulative and not exclusive of any other rights or remedies provided by law. The rights and remedies provided herein are intended to be in addition to and not in substitution of the rights and

remedies provided by the Loan Documents or any other agreement or instrument delivered in connection therewith.

7. Amendments and Waivers. This Security Agreement may not be modified, supplemented, or amended, or any of its provisions waived except in a writing signed by Pledgor and Pledgee. Pledgor hereby authorizes Pledgee to modify this Security Agreement by amending Exhibit A hereto to include any Future Trademarks.

8. Waiver of Rights. No course of dealing between the parties to this Security Agreement or any failure or delay on the part of any such party in exercising any rights or remedies hereunder shall operate as a waiver of any rights or remedies of such party or any other party, and no single or partial exercise of any rights or remedies by one party hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies of such party or any other party. No waiver by Pledgee or any Lender of any breach or default by Pledgor shall be deemed a waiver of any other previous breach or default or of any breach or default occurring thereafter.

9. Assignment. The provisions of this Security Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, however, that no interest herein or in or to the Collateral may be assigned by Pledgor without the prior written consent of Pledgee; and, provided further, that Pledgee may assign the rights and benefits hereof to any party acquiring any interest in the Obligations (as defined by the Loan Documents) or any part thereof.

10. Further Acts. Until all of the obligations of Pledgor to the Lenders shall have been paid in full, Pledgor shall have the duty to make applications on property unregistered but registrable as trademarks in any location where Pledgor does business, to prosecute such applications diligently, and to preserve and maintain all rights in the Trademarks and the other Collateral unless in Pledgor's good faith opinion, such Collateral no longer has any material economic value to Pledgor's business. Any expenses incurred in connection with such applications and other actions shall be borne by Pledgor. Pledgor shall not abandon any right to file a trademark application or registration for any trademark, or abandon any such pending trademark application or registration, without the consent of Pledgee, except to the extent that the trademark covered by such application or registration has no material economic value in Pledgor's good faith opinion.

11. Enforcement. Upon Pledgor's failure to do so after Pledgee's demand, or upon an Event of Default, Pledgee shall have the right but shall in no way be obligated to bring suit in its own name (as agent for the Lenders) to enforce the Trademarks and Future Trademarks and any license thereunder, in which event Pledgor shall at the request of Pledgee do any and all lawful acts and execute any and all proper documents required by Pledgee in aid of such enforcement and Pledgor shall promptly, upon demand, reimburse and indemnify Pledgee, each Lender and their respective agents for all costs and expenses incurred by such person in the exercise of their rights under this Section 11.

12. Release. At such time as Pledgor shall completely satisfy all of the Obligations (as defined by the Loan Documents), and the Loan Documents have been terminated, other than

upon enforcement of Pledgee's remedies under the Loan Documents after an Event of Default, Pledgee, as agent for the Lenders, will execute and deliver to Pledgor a release or other instrument as may be necessary or proper to release Pledgor's lien in the Collateral, subject to any dispositions thereof which may have been made by Pledgee pursuant hereto.

13. Severability. If any clause or provision of this Security Agreement shall be held invalid or unenforceable, in whole or in part, in any jurisdiction, such invalidity or unenforceability shall attach only to such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such or any other clause or provision in any other jurisdiction.

14. Notices. All notices, requests and demands to or upon Pledgor or Pledgee under this Security Agreement shall be given in the manner prescribed by the Loan Documents.

15. Governing Law. This Security Agreement shall be governed by and construed, applied, and enforced in accordance with the federal laws of the United States of America applicable to trademarks and the laws of the State of California, except that no doctrine of choice of law shall be used to apply the laws of any other State or jurisdiction. The parties agree that all actions or proceedings arising in connection with this Security Agreement shall be tried and litigated only in the State and federal courts located in the County of Los Angeles, State of California, whichever Pledgee may elect (except that Pledgee shall have the right to bring any action or proceeding against Pledgor or its property in the courts of any other jurisdiction which Pledgee deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Pledgor or its property). PLEDGOR AND PLEDGEE EACH WAIVES THE RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING UNDER THIS SECURITY AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND ANY RIGHT EITHER MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS, LACK OF PERSONAL JURISDICTION, OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 15.

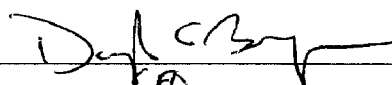
16. Counterparts, etc. This Security Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Security Agreement by telefacsimile shall have the same force and effect as the delivery of an original executed counterpart of this Security Agreement. Any party delivering an executed counterpart of this Security Agreement by telefacsimile shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of this Security Agreement.

17. Supplement. This Security Agreement is a supplement to, and is hereby incorporated into, the Loan Documents and made a part thereof; provided, that, in case of any conflicts between this Security Agreement and the Loan Agreement, the provisions of the Loan Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Security Agreement as of the date first above written.

PLEDGOR

VERIFONE, INC.

By: 
Title: CEO

PLEDGEE

FOOTHILL CAPITAL CORPORATION

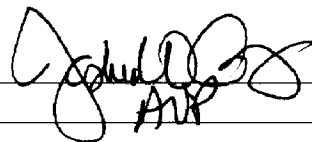
By: 
Title: AVP

EXHIBIT A

List of Trademarks

	Trademark	Status	Reg./Serial Number
1.	CENTUM	Registered	2,198,667
2.	CHECKPAK	Registered	2,355,820
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4.	EVEREST	Registered	2,044,480
5.	FIRST GLOBAL	Registered	2,333,548
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21.	TRANZSTAND	Registered	2,007,438
22.	TXO	Registered	1,734,489
23.	VERICARE	Registered	2,052,479
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26.	VERIFONE	Registered	1,729,013
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32.	VERITALK	Registered	2,082,204
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35.	VLM	Registered	2,346,075
36.	XTRASOFT	Registered	1,340,210
37.	ZON	Registered	1,535,102

SCHEDULE 2(a)

Adverse Claims

None.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)

) ss.

COUNTY OF LOS ANGELES)

On June 28, 2002, before me, Brandi D. Magana,
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared Douglas G. Bergeron,
Name of Signer(s)

personally known to me – OR proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Brandi D. Magana
Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY(IES) CLAIMED BY SIGNER(S)

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

Collateral Assignment of Trademarks (Security Agreement)

Title or Type of Document

Title(s)

- Partner(s) Limited General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

Number of Pages

Date of Document

Signer is Representing:
Name of Person(s) or Entity(ies)

Signer(s) Other Than Named Above

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

)
) ss.
)

On June 28, 2002, before me, Brandi D. Magana,
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared Joshua W. Easterly,
Name of Signer(s)

personally known to me – OR – proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Brandi D. Magana
Signature of Notary Public

OPTIONAL

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- Other: _____

Signer is Representing:
Name of Person(s) or Entity(ies)

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