

12-05-2002



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Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office
Attorney Docket No. 22679-66574

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

1. Name of conveying parties:
FreedomPay, Inc.
11-27-02

Individual Association
 General Partnership Limited Partnership
 Corporation-State - Pennsylvania
 Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
Name: Nokia Ventures, L.P.
Street Address: 545 Middlefield Road, Suite 210
City: Menlo Park State: California Zip: 94025

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

Additional name(s) and address(es) attached? Yes No

3. Nature of Conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other:
Execution date(s): 09/26/2002

4. Application number(s) or patent number(s):
A. Trademark Application No.(s):
1) 76/091,660; 2) 76/091,661; 3) 76/116,685; 4) 76/262,980
B. Trademark Registration No.(s):
5) 2,428,132; 6) 2,377,759
Additional numbers attached? Yes No

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

Evelyn H. McConathy, Esquire
DILWORTH PAXSON LLP
3200 Mellon Bank Center
1735 Market Street
Philadelphia, PA 19130

6. Total number of applications and trademarks involved: 6
7. Total fee (37 CFR 3.41) \$240.00
 Enclosed
 Authorized to be charged to deposit account
8. Deposit Account No. 50-0979

DO NOT USE THIS SPACE

9. Signature
Evelyn H. McConathy, Reg. No 35,279
Name of Person Signing/Registration No. *Evelyn H. McConathy* Signature November 22, 2002 Date

12/04/2002 LMUELLER 00000167 76091664

01 FC:0521 40.00 OP
02 FC:0522 125.00 OP Total number of pages including cover sheet, attachments and documents: 25

Refund Ref:
12/04/2002 LMUELLER 0000122774

CHECK Refund Total: \$75.00

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TRADEMARK
REEL: 002628 FRAME: 0655

EXHIBIT C

SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of September 26, 2002 ("*Security Agreement*"), is made by FREEDOMPAY, INC., a Delaware corporation ("*Grantor*"), in favor of the Purchasers described herein (the "*Secured Parties*").

RECITALS

A. The Secured Parties have made and have agreed to make certain advances of money and to extend certain financial accommodation to Grantor (collectively, the "*Loans*") as evidenced by that certain Note and Warrant Purchase Agreement, dated as of September 26, 2002, by and among the Grantor and the Secured Parties (the "*Loan Agreement*"), in exchange for convertible secured promissory notes (the "*Notes*").

B. The Secured Parties are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall have executed and delivered to the Secured Parties this Security Agreement.

AGREEMENT

NOW, THEREFORE, in order to induce the Secured Parties to make the Loans and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, Grantor hereby represents, warrants, covenants and agrees as follows:

1. **DEFINED TERMS.** When used in this Security Agreement the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"*Agent*" shall mean such individual or entity designated by the individuals and entities holding Notes with at least fifty percent (50%) of the outstanding principal amount of all Loans.

"*Collateral*" shall have the meaning assigned to such term in Section 2 of this Security Agreement.

"*Contracts*" means all contracts (including any customer, vendor, supplier, service or maintenance contract), leases, licenses, undertakings, purchase orders, permits, franchise agreements or other agreements (other than any right evidenced by Chattel Paper, Documents or Instruments), whether in written or electronic form, in or under which Grantor now holds or hereafter acquires any right, title or interest, including, without limitation, with respect to an Account, any agreement relating to the terms of payment or the terms of performance thereof.

"*Copyright License*" means any agreement, whether in written or electronic form, in which Grantor now holds or hereafter acquires any interest, granting any right in or to any Copyright or Copyright registration (whether Grantor is the licensee or the licensor thereunder)

including, without limitation, licenses pursuant to which Grantor has obtained the exclusive right to use a copyright owned by a third party.

“Copyrights” means all of the following now owned or hereafter acquired or created (as a work for hire for the benefit of Grantor) by Grantor or in which Grantor now holds or hereafter acquires or receives any right or interest, in whole or in part: (a) all copyrights, whether registered or unregistered, held pursuant to the laws of the United States, any State thereof or any other country; (b) registrations, applications, recordings and proceedings in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country; (c) any continuations, renewals or extensions thereof; (d) any registrations to be issued in any pending applications, and shall include any right or interest in and to work protectable by any of the foregoing which are presently or in the future owned, created or authorized (as a work for hire for the benefit of Grantor) or acquired by Grantor, in whole or in part; (e) prior versions of works covered by copyright and all works based upon, derived from or incorporating such works; (f) income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to copyrights, including, without limitation, damages, claims and recoveries for past, present or future infringement; (g) rights to sue for past, present and future infringements of any copyright; and (h) any other rights corresponding to any of the foregoing rights throughout the world.

“Event of Default” means (i) any failure by Grantor forthwith to pay or perform any of the Secured Obligations, (ii) any report, information or notice made to, obtained or received by the Secured Parties at any time after the date hereof indicating that the Secured Parties’ security interest is not prior to all other security interests or other interests reflected in such report, information or notice, except for any Permitted Lien, (iii) any breach by Grantor of any warranty, representation, or covenant set forth herein, and (iv) any **“Event of Default”** as defined in the Notes.

“License” means any Copyright License, Patent License, Trademark License or other license of rights or interests, whether in-bound or out-bound, whether in written or electronic form, now or hereafter owned or acquired or received by Grantor or in which Grantor now holds or hereafter acquires or receives any right or interest, and shall include any renewals or extensions of any of the foregoing thereof.

“Lien” means any mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

“Patent License” means any agreement, whether in written or electronic form, in which Grantor now holds or hereafter acquires any interest, granting any right with respect to any invention on which a Patent is in existence (whether Grantor is the licensee or the licensor thereunder).

“Patents” means all of the following in which Grantor now holds or hereafter acquires any interest: (a) all letters patent of the United States or any other country, all registrations and recordings thereof and all applications for letters patent of the United States or any other country, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State

thereof or any other country; (b) all reissues, divisions, continuations, renewals, continuations-in-part or extensions thereof; (c) all petty patents, divisionals and patents of addition; (d) all patents to issue in any such applications; (e) income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to patents, including, without limitation, damages, claims and recoveries for past, present or future infringement; and (f) rights to sue for past, present and future infringements of any patent.

"Permitted Lien" means: (a) any Liens existing on the date of this Security Agreement and set forth on **Schedule A** attached hereto; (b) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings, provided the same have no priority over any of the Secured Parties' security interests; (c) Liens (i) upon or in any Equipment acquired or held by Grantor to secure the purchase price of such Equipment or indebtedness incurred solely for the purpose of financing the acquisition of such Equipment or (ii) existing on such Equipment at the time of its acquisition, provided that the Lien is confined solely to the Equipment so acquired, improvements thereon and the Proceeds of such Equipment; (d) leases or subleases and licenses or sublicenses granted to others in the ordinary course of Grantor's business if such are otherwise permitted under this Security Agreement and do not interfere in any material respect with the business of Grantor; (e) any right, title or interest of a licensor under a license provided that such license or sublicense does not prohibit the grant of the security interest granted hereunder; (f) Liens arising from judgments, decrees or attachments to the extent and only so long as such judgment, decree or attachment has not caused or resulted in an Event of Default under the Loan Agreement; (g) easements, reservations, rights-of-way, restrictions, minor defects or irregularities in title and other similar Liens affecting real property not interfering in any material respect with the ordinary conduct of the business of Grantor; (h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods; (i) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of setoff or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; (j) Liens securing capital lease obligations on assets subject to such capital leases including sale and lease-back transactions otherwise permitted under this Security Agreement and Liens on equipment leased by Grantor pursuant to an operating lease in the ordinary course of Grantor's business (including proceeds thereof and accessions thereto), all incurred solely for the purpose of financing the lease of such equipment (including Liens arising from UCC financing statements regarding such leases); (k) Liens, not otherwise permitted, which Liens do not secure obligations in the aggregate exceeding \$250,000 at any one time; and (l) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by Liens of the type described in clauses (a) and (c) above, provided that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness being extended, renewed or refinanced does not increase.

"Secured Obligations" means (a) the obligation of Grantor to repay the Secured Parties all of the unpaid principal amount of, and accrued interest on (including any interest that accrues after the commencement of bankruptcy), the Loans and (b) the obligation of Grantor to pay any fees, costs and expenses of the Secured Parties under the Notes and the Loan Agreement or under Section 6(d) hereof.

"Security Agreement" means this Security Agreement and all Schedules hereto, as the same may from time to time be amended, modified, supplemented or restated.

"Trademark License" means any agreement, whether in written or electronic form, in which Grantor now holds or hereafter acquires any interest, granting any right in and to any Trademark or Trademark registration (whether Grantor is the licensee or the licensor thereunder).

"Trademarks" means any of the following in which Grantor now holds or hereafter acquires any interest: (a) any trademarks, tradenames, corporate names, company names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof and any applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country (collectively, the **"Marks"**); (b) any reissues, extensions or renewals thereof; (c) the goodwill of the business symbolized by or associated with the Marks; (d) income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to the Marks, including, without limitation, damages, claims and recoveries for past, present or future infringement; and (e) rights to sue for past, present and future infringements of the Marks.

"UCC" means the Uniform Commercial Code as the same may from time to time be in effect in the State of Delaware; *provided, however*, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Delaware, the term **"UCC"** shall mean the Uniform Commercial Code (including the Articles thereof) as in effect at such time in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

In addition, the following terms shall be defined terms having the meaning set forth for such terms in the UCC: "Account" (including health-care-insurance receivables), "Account Debtor", "Chattel Paper" (including tangible and electronic chattel paper), "Commercial Tort Claims", "Commodity Account", "Deposit Account", "Documents", "Equipment" (including all accessions and additions thereto), "Fixtures", "General Intangible" (including payment intangibles and software), "Instrument", "Intellectual Property", "Inventory" (including all goods held for sale or lease or to be furnished under a contract of service, and including returns and repossessions), "Investment Property" (including securities and securities entitlements), "Letter-of-Credit Right" (whether or not the letter of credit is evidenced by a writing), "Payment Intangibles", "Proceeds", "Promissory Notes", "Securities Account", and "Supporting Obligations". Each of the foregoing defined terms shall include all of such items now owned, or hereafter acquired, by Grantor.

All capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Loan Agreement.

2. GRANT OF SECURITY INTEREST. As collateral security for the full, prompt, complete and final payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all the Secured Obligations and in order to induce the Secured Parties to cause the Loans to be made, Grantor hereby assigns, conveys, mortgages, pledges, hypothecates and transfers to the Secured Parties, and hereby grants to the Secured Parties, a security interest in all of Grantor's right, title and interest in, to and under the following, whether now owned or hereafter acquired, (all of which being collectively referred to herein as the "*Collateral*"):

- (a) All Accounts of Grantor;
- (b) All Chattel Paper of Grantor;
- (c) All Commercial Tort Claims of Grantor;
- (d) All Contracts of Grantor;
- (e) All Deposit Accounts of Grantor;
- (f) All Documents of Grantor;
- (g) All Equipment of Grantor;
- (h) All Fixtures of Grantor;

(i) All General Intangibles of Grantor, including, without limitation, Payment Intangibles, all Copyrights, Patents, Trademarks, Licenses, designs, drawings, technical information, marketing plans, customer lists, trade secrets, proprietary or confidential information, inventions (whether or not patentable), procedures, know-how, models and data;

- (j) All Instruments of Grantor, including, without limitation, Promissory Notes;
- (k) All Inventory of Grantor;
- (l) All Investment Property of Grantor;
- (m) All Letter-of Credit Rights of Grantor;
- (n) All Supporting Obligations of Grantor;

(o) All property of Grantor held by Secured Party, or any other party for whom Secured Party is acting as agent hereunder, including, without limitation, all property of every-description now or hereafter in the possession or custody of or in transit to Secured Party or such other party for any purpose, including, without limitation, safekeeping, collection or pledge, for the account of Grantor, or as to which Grantor may have any right or power;

(p) All other goods and personal property of Grantor, wherever located, whether tangible or intangible, and whether now owned or hereafter acquired, existing, leased or consigned by or to Grantor; and

(q) To the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for and rents, profits and products of each of the foregoing.

Notwithstanding the foregoing provisions of this Section 2, the grant, assignment and transfer of a security interest as provided herein shall not extend to, and the term "Collateral" shall not include: (a) "intent-to-use" trademarks at all times prior to the first use thereof, whether by the actual use thereof in commerce, the recording of a statement of use with the United States Patent and Trademark Office or otherwise or (b) any Contract, Instrument or Chattel Paper in which Grantor has any right, title or interest if and to the extent such Contract, Instrument or Chattel Paper includes a provision containing a restriction on assignment such that the creation of a security interest in the right, title or interest of Grantor therein would be prohibited and would, in and of itself, cause or result in a default thereunder enabling another person party to such Contract, Instrument or Chattel Paper to enforce any remedy with respect thereto; *provided* that the foregoing exclusion shall not apply if (i) such prohibition has been waived or such other person has otherwise consented to the creation hereunder of a security interest in such Contract, Instrument or Chattel Paper or (ii) such prohibition would be rendered ineffective pursuant to Sections 8.9A-407(a) or 8.9A-408(a) of the UCC, as applicable and as then in effect in any relevant jurisdiction, or any other applicable law (including the Bankruptcy Code) or principles of equity); *provided further* that immediately upon the ineffectiveness, lapse or termination of any such provision, the Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all its rights, title and interests in and to such Contract, Instrument or Chattel Paper as if such provision had never been in effect; and *provided further that* the foregoing exclusion shall in no way be construed so as to limit, impair or otherwise affect any Secured Party's unconditional continuing security interest in and to all rights, title and interests of Grantor in or to any payment obligations or other rights to receive monies due or to become due under any such Contract, Instrument or Chattel Paper and in any such monies and other proceeds of such Contract, Instrument or Chattel Paper.

3. RIGHTS OF SECURED PARTIES; COLLECTION OF ACCOUNTS.

(a) Notwithstanding anything contained in this Security Agreement to the contrary, Grantor expressly agrees that it shall remain liable under each of its Contracts and each of its Licenses to observe and perform all the conditions and obligations to be observed and performed by it thereunder and that it shall perform all of its duties and obligations thereunder, all in accordance with and pursuant to the terms and provisions of each such Contract or License. The Secured Parties shall not have any obligation or liability under any Contract or License by reason of or arising out of this Security Agreement or the granting to the Secured Parties of a lien therein or the receipt by the Secured Parties of any payment relating to any Contract or License pursuant hereto, nor shall the Secured Parties be required or obligated in any manner to perform or fulfill any of the obligations of Grantor under or pursuant to any Contract or License, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any Contract or License, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(b) The Secured Parties authorize Grantor to collect its Accounts, provided that such collection is performed in a prudent and businesslike manner, and the Secured Parties may, upon the occurrence and during the continuation of any Event of Default and without notice, limit or terminate said authority at any time. Upon the occurrence and during the continuance of any Event of Default, at the request of the Secured Parties, Grantor shall deliver all original and other documents evidencing and relating to the performance of labor or service which created such Accounts, including, without limitation, all original orders, invoices and shipping receipts.

(c) The Secured Parties may at any time, upon the occurrence and during the continuance of any Event of Default, without notifying Grantor of its intention to do so, notify Account Debtors of Grantor, parties to the Contracts of Grantor, obligors in respect of Instruments of Grantor and obligors in respect of Chattel Paper of Grantor that the Accounts and the right, title and interest of Grantor in and under such Contracts, Instruments and Chattel Paper have been assigned to the Secured Parties and that payments shall be made directly to the Secured Parties. Upon the request of the Secured Parties, Grantor shall so notify such Account Debtors, parties to such Contracts, obligors in respect of such Instruments and obligors in respect of such Chattel Paper. Upon the occurrence and during the continuance of any Event of Default, the Secured Parties may, in their name or in the name of others, communicate with such Account Debtors, parties to such Contracts, obligors in respect of such Instruments and obligors in respect of such Chattel Paper to verify with such parties, to the Secured Parties' satisfaction, the existence, amount and terms of any such Accounts, Contracts, Instruments or Chattel Paper.

4. REPRESENTATIONS AND WARRANTIES. Grantor hereby represents and warrants to the Secured Parties that:

(a) Except for the security interest granted to the Secured Parties under this Security Agreement and Permitted Liens, Grantor is the sole legal and equitable owner or, has the power to transfer or, as to Intellectual Property licensed from other persons, licensee of each item of the Collateral in which it purports to grant a security interest hereunder, having good and marketable title thereto or the power to transfer, free and clear of any and all Liens except for Permitted Liens.

(b) No effective security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral exists, except such as may have been filed by Grantor in favor of the Secured Parties pursuant to this Security Agreement and except for Permitted Liens.

(c) This Security Agreement creates a legal and valid security interest on and in all of the Collateral in which Grantor now has rights and all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken. Accordingly, the Secured Parties have a fully perfected first priority security interest in all of the Collateral in which Grantor now has rights subject only to Permitted Liens. This Security Agreement will create a legal and valid and fully perfected first priority security interest in the Collateral in which Grantor later acquires rights, when Grantor acquires those rights subject only to Permitted Liens and additional filings to be made with the United States Copyright Office and/or Patent and Trademark Office as are necessary to perfect Secured Party's security interest in subsequent ownership rights and interests of Grantor in Copyrights, Patents, Trademarks and Licenses.

(d) Grantor's taxpayer identification number is, and chief executive office, principal place of business, and the place where Grantor maintains its records concerning the Collateral are presently located at the address set forth on the signature page hereof. If Grantor is a corporation, limited liability company, limited partnership, corporate trust or other registered organization, the State (or if not a state, the other jurisdiction) under whose law such registered organization was organized is set forth on the signature page hereof. The Collateral, other than Deposit Accounts, Securities Accounts, Commodity Accounts and motor vehicles and other mobile goods of the type contemplated in Section 8.9A-103(3)(a) of the UCC, is presently located at such address and at such additional addresses set forth on **Schedule B** attached hereto. Grantor shall not change its taxpayer identification number, jurisdiction of organization or such chief executive office, principal place of business or remove or cause to be removed, the records concerning the Collateral from those premises without prior written consent of the Secured Parties.

(e) All Collateral of Grantor existing as of the date hereof with respect to which a security interest may be perfected by the Secured Parties' taking possession thereof, including, without limitation, all Chattel Paper, Instruments or Investment Property comprising certificated securities is set forth on **Schedule C** attached hereto. All action necessary or desirable to protect and perfect such security interest in each item set forth on **Schedule C**, including the delivery of all originals thereof, duly endorsed to the Secured Parties, has been duly taken. The security interest of the Secured Parties in Grantor's Collateral listed on **Schedule C** is prior in right and interest to all other Liens (other than Permitted Liens) and is enforceable as such against creditors of and purchasers from Grantor.

(f) The name and address of each depository institution at which Grantor maintains any Deposit Account and the account number and account name of each such Deposit Account is listed on **Schedule D** attached hereto. The name and address of each securities intermediary or commodity intermediary at which Grantor maintains any Securities Account or Commodity Account and the account number and account name is listed on **Schedule D** attached hereto. Grantor agrees to amend **Schedule D** from time to time within five (5) business days after opening any additional Deposit Account, Securities Account or Commodity Account, or closing or changing the account name or number on any existing Deposit Account, Securities Account, or Commodity Account.

(g) Grantor is the sole holder of record and the sole beneficial owner of all certificated securities and uncertificated securities pledged to the Secured Parties by Grantor under Section 2 of this Security Agreement, free and clear of any adverse claim, as defined in Section 8.8A-102(a)(1) of the UCC, except for the Lien created in favor of the Secured Parties by this Security Agreement.

(h) None of the Investment Property of Grantor has been transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such transfer may be subject.

(i) All Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks and Trademark Licenses now owned, held or in which Grantor otherwise has any interest are listed on **Schedule E** attached hereto. Grantor shall amend **Schedule E** from time to time within

twenty (20) business days after the filing of any application for a Patent, Trademark or Copyright or the issuance of any Patent or registration of any Trademark or Copyright to reflect any additions to or deletions from this list. Except as set forth on **Schedule E**, none of the Patents, Trademarks or Copyrights has been licensed to any third party.

5. COVENANTS. Grantor covenants and agrees with the Secured Parties that from and after the date of this Security Agreement and until the Secured Obligations have been performed and paid in full:

5.1 Disposition of Collateral. Grantor shall not sell, lease, transfer or otherwise dispose of any of the Collateral, or attempt or contract to do so, other than (a) the sale of Inventory, (b) the granting of non-exclusive Licenses and (c) the disposal of worn-out or obsolete Equipment, all in the ordinary course of Grantor's business.

5.2 Change of Jurisdiction of Organization, Relocation of Business or Collateral. Grantor shall not change its jurisdiction of organization, relocate its chief executive office, principal place of business or its records, or allow the relocation of any Collateral (except as allowed pursuant to Section 5.1 immediately above) from such address(es) provided to the Secured Parties pursuant to Section 4(d) above without thirty (30) days prior written notice to the Secured Parties.

5.3 Limitation on Liens on Collateral. Grantor shall not, directly or indirectly, create, permit or suffer to exist, and shall defend the Collateral against and take such other action as is necessary to remove, any Lien on the Collateral, except (a) Permitted Liens and (b) the Lien granted to the Secured Parties under this Security Agreement. Grantor shall further defend the right, title and interest of the Secured Parties in and to any of Grantor's rights under the Chattel Paper, Contracts, Documents, General Intangibles, Instruments and Investment Property and to the Equipment and Inventory and in and to the Proceeds thereof against the claims and demands of all persons whomsoever.

5.4 Limitations on Modifications of Accounts, Etc. Upon the occurrence and during the continuance of any Event of Default, Grantor shall not, without the Secured Parties' prior written consent, grant any extension of the time of payment of any of the Accounts, Chattel Paper, Instruments or amounts due under any Contract or Document, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof, or allow any credit or discount whatsoever thereon other than trade discounts and rebates granted in the ordinary course of Grantor's business.

5.5 Insurance. Grantor shall maintain insurance policies insuring the Collateral against loss or damage from such risks and in such amounts and forms and with such companies as are customarily maintained by businesses similar to Grantor.

5.6 Taxes, Assessments, Etc. Grantor shall pay promptly when due all property and other taxes, assessments and government charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Equipment, Fixtures or Inventory, except to the extent the validity thereof is being contested in good faith and adequate reserves are being maintained in connection therewith.

5.7 Maintenance of Records. Grantor shall keep and maintain at its own cost and expense satisfactory and complete records of the Collateral. Grantor shall not create any Chattel Paper without placing a legend on the Chattel Paper acceptable to the Secured Parties indicating that the Secured Parties have a security interest in the Chattel Paper.

5.8 Registration of Intellectual Property Rights. Grantor shall promptly register or cause to be registered (to the extent not already registered) the most recent version of any Copyright and any Copyright License and any Patent, Patent License, Trademark or Trademark License, which, individually or in the aggregate, is material to the conduct of Grantor's business, with the United States Copyright Office or Patent and Trademark Office, as applicable, including, without limitation, in all such cases the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings. Grantor shall register or cause to be registered with the United States Copyright Office or Patent and Trademark Office, as applicable, those additional rights and interests developed or acquired by Grantor after the date of this Security Agreement, including, without limitation, any additions to the rights and interests of Grantor listed on **Schedule E** hereto, prior to the sale or licensing of any product containing such rights and interests.

5.9 Notification Regarding Changes in Intellectual Property. In addition to its obligations under Section 4(e)(i), Grantor shall promptly advise the Secured Parties of any subsequent ownership right or interest of the Grantor in or to any Copyright, Patent, Trademark or License not specified on **Schedule E** hereto and shall permit the Secured Parties to amend such Schedule, as necessary, to reflect any addition or deletion to such ownership rights.

5.10 Defense of Intellectual Property. Grantor shall (i) protect, defend and maintain the validity and enforceability of the Copyrights, Patents and Trademarks, (ii) use its best efforts to detect infringements of the Copyrights, Patents and Trademarks and promptly advise the Secured Parties in writing of material infringements detected and (iii) not allow any Copyrights, Patents or Trademarks to be abandoned, forfeited or dedicated to the public without the written consent of the Secured Parties unless reasonable business practice would determine that any such abandonment is appropriate.

5.11 Further Assurances; Pledge of Instruments. At any time and from time to time, upon the written request of the Secured Parties, and at the sole expense of Grantor, Grantor shall promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Secured Parties may reasonably deem necessary or desirable to obtain the full benefits of this Security Agreement, including, without limitation, (a) using its best efforts to secure all consents and approvals necessary or appropriate for the grant of a security interest to the Secured Parties in any Contract held by Grantor or in which Grantor has any right or interest not heretofore assigned, (b) executing, delivering and causing to be filed any financing or continuation statements (including "in lieu" continuation statements) under the UCC with respect to the security interests granted hereby, (c) filing or cooperating with the Secured Parties in filing any forms or other documents required to be recorded with the United States Patent and Trademark Office, United States Copyright Office, or any actions, filings, recordings or registrations in any foreign jurisdiction or under any international treaty, required to secure or protect the Secured Parties' interest in Grantor's Collateral, (d) transferring Grantor's Collateral to the Secured Parties' possession (if a security interest in such Collateral

can be perfected by possession), (e) at the Secured Parties' reasonable request, placing the interest of the Secured Parties as lienholder on the certificate of title (or similar evidence of ownership) of any vehicle, watercraft or other Equipment constituting Collateral owned by Grantor which is covered by a certificate of title (or similar evidence of ownership), (f) executing and delivering and causing the applicable depository institution, securities intermediary, commodity intermediary or issuer or nominated party under a letter of credit to execute and deliver a collateral control agreement with respect to each new Deposit Account, Securities Account or Commodity Account or Letter-of-Credit Right in or to which Grantor has any right or interest in order to perfect the security interest created hereunder in favor of the Secured Parties (including giving the Secured Parties "control" over such Collateral within the meaning of the applicable provisions of Article 8 and Article 9 of the UCC), (g) at the Secured Parties' reasonable request, executing and delivering or causing to be delivered written notice to insurers of the Secured Parties' security interest in, or claim in or under, any policy of insurance (including unearned premiums) and (g) at the Secured Parties' reasonable request, using its best efforts to obtain acknowledgments from bailees having possession of any Collateral and waivers of liens from landlords and mortgagees of any location where any of the Collateral may from time to time be stored or located. Grantor also hereby authorizes the Secured Parties to file any such financing or continuation statement (including "in lieu" continuation statements) without the signature of Grantor. If any amount payable under or in connection with any of the Collateral is or shall become evidenced by any Instrument, such Instrument, other than checks and notes received in the ordinary course of business and any Instrument in the outstanding or stated amount of less than \$25,000, shall be duly endorsed in a manner reasonably satisfactory to the Secured Parties and delivered to the Secured Parties promptly and in any event within five (5) business days of Grantor's receipt thereof.

6. RIGHTS AND REMEDIES UPON DEFAULT.

(a) Beginning on the date that any Event of Default shall have occurred and while such Event of Default is continuing, the Secured Parties may exercise in addition to all other rights and remedies granted to it under this Security Agreement, the Notes, the Loan Agreement and under any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC; *provided*, however, that (i) in the event that such Event of Default is solely any failure by Grantor forthwith to pay or perform any Secured Obligation, the Secured Parties shall not exercise the foregoing rights and remedies unless the Secured Obligation shall not have been paid or performed within five (5) calendar days of the date that the Event of Default shall have occurred; and (ii) in the event that any other Event of Default shall have occurred and is reasonably capable of being cured by Grantor within ten (10) business days of knowledge or notice thereof, the Secured Parties shall not exercise the foregoing rights and remedies unless the Event of Default shall not have been cured during such ten (10) business day period; *provided further*, that in the event such Event of Default is a breach by Grantor of a representation or warranty set forth herein, Grantor shall not be entitled to any such cure period under the foregoing subsection (ii) to cure the Event of Default before the Secured Parties may exercise the foregoing rights and remedies. Without limiting the generality of the foregoing, Grantor expressly agrees that in any such event the Secured Parties, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Grantor or any other person (all and each of which demands, advertisements and notices are hereby expressly

waived to the maximum extent permitted by the UCC and other applicable law), may (i) reclaim, take possession, recover, store, maintain, finish, repair, prepare for sale or lease, shop, advertise for sale or lease and sell or lease (in the manner provided herein) the Collateral, and in connection with the liquidation of the Collateral and collection of the accounts receivable pledged as Collateral, use any Trademark, Copyright, or process used or owned by Grantor and (ii) forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, assign, give an option or options to purchase or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of the Secured Parties' offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. To the extent Grantor has the right to do so, Grantor authorizes the Secured Parties, on the terms set forth in this Section 6 to enter the premises where the Collateral is located, to take possession of the Collateral, or any part of it, and to pay, purchase, contact, or compromise any encumbrance, charge, or lien which, in the opinion of the Secured Parties, appears to be prior or superior to its security interest. The Secured Parties shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption Grantor hereby releases. Grantor further agrees, at the Secured Parties' request, to assemble its Collateral and make it available to the Secured Parties at places which the Secured Parties shall reasonably select, whether at Grantor's premises or elsewhere. The Secured Parties shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale as provided in Section 6(f) below, with Grantor remaining liable for any deficiency remaining unpaid after such application, and only after so paying over such net proceeds and after the payment by the Secured Parties of any other amount required by any provision of law, need the Secured Parties account for the surplus, if any, to Grantor. To the maximum extent permitted by applicable law, Grantor waives all claims, damages, and demands against the Secured Parties arising out of the repossession, retention or sale of the Collateral. Grantor agrees that the Secured Parties need not give more than ten (10) days' notice of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of its Collateral are insufficient to pay all amounts to which the Secured Parties are entitled from Grantor, Grantor also being liable for the attorney costs of any attorneys employed by the Secured Parties to collect such deficiency.

(b) As to any Collateral constituting certificated securities or uncertificated securities, if, at any time when the Secured Parties shall determine to exercise its right to sell the whole or any part of such Collateral hereunder, such Collateral or the part thereof to be sold shall not, for any reason whatsoever, be effectively registered under Securities Act of 1933, as amended (as so amended the "*Act*"), the Secured Parties may, in their discretion (subject only to applicable requirements of law), sell such Collateral or part thereof by private sale in such manner and under such circumstances as the Secured Parties may deem necessary or advisable, but subject to the other requirements of this Section 6(b), and shall not be required to effect such registration or cause the same to be effected. Without limiting the generality of the foregoing, in any such event the Secured Parties may, in their sole discretion, (i) in accordance with applicable securities laws, proceed to make such private sale notwithstanding that a registration statement for the purpose of registering such Collateral or part thereof could be or shall have been filed

under the Act; (ii) approach and negotiate with a single possible purchaser to effect such sale; and (iii) restrict such sale to a purchaser who will represent and agree that such purchaser is purchasing for its own account, for investment, and not with a view to the distribution or sale of such Collateral or part thereof. In addition to a private sale as provided above in this Section 6(b), if any of such Collateral shall not be freely distributable to the public without registration under the Act at the time of any proposed sale hereunder, then the Secured Parties shall not be required to effect such registration or cause the same to be effected but may, in its sole discretion (subject only to applicable requirements of law), require that any sale hereunder (including a sale at auction) be conducted subject to such restrictions as the Secured Parties may, in their sole discretion, deem necessary or appropriate in order that such sale (notwithstanding any failure so to register) may be effected in compliance with the Bankruptcy Code and other laws affecting the enforcement of creditors' rights and the Act and all applicable state securities laws.

(c) Grantor agrees that in any sale of any of such Collateral, whether at a foreclosure sale or otherwise, the Secured Parties are hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications and restrict such prospective bidders and purchasers to persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any governmental authority, and Grantor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Secured Parties be liable nor accountable to Grantor for any discount allowed by the reason of the fact that such Collateral is sold in compliance with any such limitation or restriction.

(d) Grantor also agrees to pay all fees, costs and expenses of the Secured Parties, including, without limitation, reasonable attorneys' fees, incurred in connection with the enforcement of any of its rights and remedies hereunder.

(e) Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

(f) The Proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be distributed by the Secured Parties in the following order of priorities:

FIRST, to the Secured Parties in an amount sufficient to pay in full the reasonable costs of the Secured Parties in connection with such sale, disposition or other realization, including all fees, costs, expenses, liabilities and advances incurred or made by the Secured Parties in connection therewith, including, without limitation, reasonable attorneys' fees;

SECOND, to the Secured Parties in an amount equal to the then unpaid Secured Obligations; and

FINALLY, upon payment in full of the Secured Obligations, to Grantor or its representatives, in accordance with the UCC or as a court of competent jurisdiction may direct.

7. INDEMNITY. Grantor agrees to defend, indemnify and hold harmless the Secured Parties and their officers, employees, and agents against (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Security Agreement and the Notes; and (b) all losses or expenses in any way suffered, incurred, or paid by the Secured Parties as a result of or in any way arising out of, following or consequential to transactions between the Secured Parties and Grantor, whether under this Security Agreement or otherwise (including without limitation, reasonable attorneys fees and expenses), except for losses arising from or out of the Secured Parties' gross negligence or willful misconduct.

8. ATTORNEY IN FACT. Grantor hereby irrevocably appoints Agent (and any of Agent's designated officers, employees or agents) as its true and lawful attorney: (a) during the continuance of an Event of Default, to endorse Grantor's name on any checks or other forms of payment or security that may come into Agent's possession which constitute proceeds of any of the Collateral; (b) during the continuance of an Event of Default, to sign Grantor's name on any invoice relating to any Account drafts against Account Debtors, schedules and assignments of Accounts, verifications of Accounts, and notices to Account Debtors; (c) during the continuance of an Event of Default, to notify post office authorities to change the address for delivery of Grantor's mail to an address that Agent designates and to open and dispose of all mail addressed to Grantor; and (d) during the continuance of an Event of Default, to settle and adjust disputes and claims respecting the Accounts directly with Account Debtors for amounts and upon terms which Agent determines to be reasonable, in each case subject to Section 6 hereof. The Agent's appointment as Grantor's attorney in fact, and each and every one of Agent's rights and powers, being coupled with an interest, is irrevocable until all of the Secured Obligations are fully satisfied and the Security Agreement is terminated or expires.

9. LIMITATION ON THE SECURED PARTIES' DUTY IN RESPECT OF COLLATERAL. The Secured Parties shall be deemed to have acted reasonably in the custody, preservation and disposition of any of the Collateral if they take such action as Grantor requests in writing, but failure of the Secured Parties to comply with any such request shall not in itself be deemed a failure to act reasonably, and no failure of the Secured Parties to do any act not so requested shall be deemed a failure to act reasonably.

10. REINSTATEMENT. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's property and assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the

Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

11. ACTIONS BY THE LENDERS AND AMENDMENTS. All actions, omissions and decisions of the Secured Parties hereunder or any amendment of the Notes and the Loan Agreement or this Security Agreement (each called herein "*Act of the Secured Parties*") shall be determined by and require the written consent of the individuals and entities holding Notes with at least fifty percent (50%) of the outstanding principal amount of all Loans. Each Secured Party shall take such actions and execute such documents as may be necessary to confirm or accomplish any Act of the Secured Parties. Notwithstanding the foregoing, the consent of each affected Secured Party shall be necessary to do the following to any Note:

(a) reduce the percentage of the principal and interest amount of Loans whose holders must consent to constitute an Act of the Secured Parties;

(b) reduce the rate of or change the time for payment of interest on any Loan;

(c) reduce the principal of or change the fixed maturity of any Loan; or

(d) make any Loan payable in money other than the stated in the Notes.

12. UNEQUAL PAYMENT BY GRANTOR. Each Secured Party agrees that if it shall, through the exercise of any right granted to the Secured Parties under this Security Agreement, under the Notes, the Loan Agreement or by applicable law, including, but not limited to any right of set-off, any secured claim under Section 506 of the Bankruptcy Code or any other security or interest arising from, or in lieu of such secured claim, and received by such Secured Party under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Loan as a result of which the unpaid portion of its Loan is proportionally less than the unpaid portion of the Loans of the other Secured Parties, then (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Secured Parties a participation in the Loans of each such other Secured Party, so that the amount of such Secured Party's Loan and the participation in the Loans of the other Secured Parties shall be in the same proportion to all Loans then outstanding as the amount of its Loan prior to the obtaining of such payment was to the amount of all Loans outstanding prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Secured Parties share the benefits of such payment pro rata. The term "*Loan*" as used in this paragraph shall include accrued interest thereon.

13. MISCELLANEOUS.

13.1 No Waiver; Cumulative Remedies.

(a) The Secured Parties shall not by any act, delay, omission or otherwise be deemed to have waived any of their respective rights or remedies hereunder, nor shall any single or partial exercise of any right or remedy hereunder on any one occasion preclude the further exercise thereof or the exercise of any other right or remedy.

(b) The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

(c) None of the terms or provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by Grantor and the Secured Parties.

13.2 Termination of this Security Agreement. Subject to Section 9 hereof, this Security Agreement shall terminate upon the payment and performance in full of the Secured Obligations.

13.3 Successor and Assigns. This Security Agreement and all obligations of Grantor hereunder shall be binding upon the successors and assigns of Grantor, and shall, together with the rights and remedies of the Secured Parties hereunder, inure to the benefit of Secured Party, any future holder of any of the indebtedness and their respective successors and assigns. No sales of participations, other sales, assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner affect the lien granted to the Secured Parties hereunder.

13.4 Governing Law. In all respects, including all matters of construction, validity and performance, this Security Agreement and the Secured Obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware applicable to contracts made and performed in such state, without regard to the principles thereof regarding conflict of laws, except to the extent that the UCC provides for the application of the law of the State of Delaware.

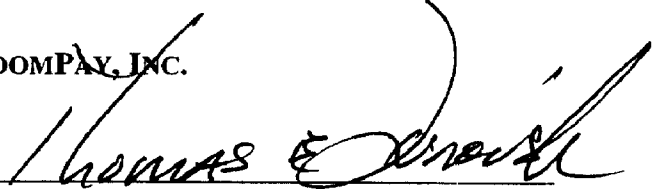
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties hereto has caused this SECURITY AGREEMENT to be executed and delivered by its duly authorized officer on the date first set forth above.

ADDRESS OF GRANTOR

2 Devon Square
744 West Lancaster Avenue
Suite 226
Wayne, PA 19087

FREEDOMPAY, INC.

By: 

Name: _____

Title: CEO

Taxpayer Identification Number of Grantor:

23-3028266

Jurisdiction of Organization of Grantor: Delaware

ACCEPTED AND ACKNOWLEDGED BY:

NOKIA VENTURE PARTNERS II, L.P.:

By: _____

Name: _____

Title: _____

NVP II AFFILIATES FUND, L.P.:

By: _____

Name: _____

Title: _____

NOKIA VENTURES, L.P.:

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, each of the parties hereto has caused this SECURITY AGREEMENT to be executed and delivered by its duly authorized officer on the date first set forth above.

ADDRESS OF GRANTOR

2 Devon Square
744 West Lancaster Avenue
Suite 226
Wayne, PA 19087

FREEDOMPAY, INC.

By: _____

Name: _____

Title: _____

Taxpayer Identification Number of Grantor:

Jurisdiction of Organization of Grantor: Delaware

ACCEPTED AND ACKNOWLEDGED BY:

NOKIA VENTURE PARTNERS II, L.P.:

By: W. Peter Buhl

Name: W. Peter Buhl

Title: Partner

NVP II AFFILIATES FUND, L.P.:

By: W. Peter Buhl

Name: W. Peter Buhl

Title: Partner

NOKIA VENTURES, L.P.:

By: W. Peter Buhl

Name: W. Peter Buhl

Title: Partner

SCHEDULE A

LIENS EXISTING ON THE DATE OF THIS SECURITY AGREEMENT

PNC bank holds a possessory security interest in a \$200,000 CD #31700224595 as collateral for letter of credit.

A-1.

467813_2.DOC

TRADEMARK
REEL: 002628 FRAME: 0674

SCHEDULE B

LOCATION OF COLLATERAL

FreedomPay, Inc.

2 Devon Square
744 West Lancaster Avenue
Suite 226
Wayne, PA 19087

B-1.

467813_2.DOC

TRADEMARK
REEL: 002628 FRAME: 0675

SCHEDULE C

**LIST OF COLLATERAL DELIVERED BY GRANTOR TO SECURED
PARTY**

None

C-1.

SCHEDULE D

**DEPOSIT ACCOUNTS, SECURITIES ACCOUNTS AND COMMODITY
ACCOUNTS**

(Including Grantor, Type of Account, Account Name, Account Number and Name of
Institution/Intermediary)

Deposit accounts of Grantor:

PNC Bank - Merchant Checking Account #8615338004

PNC Bank - Operating Checking Account #8604651599

PNC Brokerage Account #33727349

D-1.

467813_2.DOC

TRADEMARK
REEL: 002628 FRAME: 0677

SCHEDULE E

INTELLECTUAL PROPERTY

Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks and Trademark Licenses now owned, held or in which Grantor otherwise has any interest:

FREEDOMPAY PENDING PATENT APPLICATIONS

<u>Reference #</u>	<u>Application No. / Country</u>	<u>FILING DATE</u>	<u>Title</u>
37578-147052 (9512-2)	09/427,804 US	10/27/99	TOKENLESS VENDING SYSTEM
148981 (9512-2)	00305674.4 European Union	52/7/00	TOKENLESS VENDING SYSTEM
148980 (9512-2)	Several Other Countries		TOKENLESS VENDING SYSTEM (Canada, Australia, Japan, New Zealand)

FreedomPay, Inc. - Pending Trademark Applications

<u>Mark</u>	<u>Country</u>	<u>Serial No. Filing Date</u>	<u>Goods / Services</u>
REVOLUTION WITHOUT CHANGE 9512-8 (148878)	US	76/116,685 8/25/00	Electronic payment, namely, electronic processing and transmission of payment data that provides the ability to purchase items at vending machines and at other retail points-of-sale without the need for cash or credit card on hand, through an account set up on a computer network, Class 36
YOUR GATEWAY TO CASHLESS 149222	US	76/091,661 7/17/00	Primarily the same as above
YOUR CASHLESS ACCOUNT CENTER 9512-010	US	76/091,660 7/17/00	Primarily the same as above
NO CASH. NO PROBLEM 37578-151294	US	76/262,980 5/25/01	Providing the ability to purchase lower priced items at vending machines and at other retail points-of-sale without the need for cash or credit card on hand, through an account set up on a computer network, Class 36
FREEDOMPAY 156270	CANADA	1,115,624 9/14/01	Primarily the same as above

<u>Mark</u>	<u>Country</u>	<u>Serial No. Filing Date</u>	<u>Goods / Services</u>
SMART WAVE Pending	US	Pending 11/01	Pending
LOYALTY MANAGER Pending	US	Pending 11/01	Pending
FASTER THAN CASH Pending	US	Under Evaluation	Under Evaluation
WOULD YOU LIKE \$10 WITH THAT Pending	US	Under Evaluation	Under Evaluation

FreedomPay, Inc. - Registered Trademarks

<u>Mark</u>	<u>Country</u>	<u>Serial No. Date Registered</u>	<u>Goods / Services</u>
FREEDOMPAY	US	2,428,132 2/13/01	Providing the ability to purchase lower priced items at vending machines and at other retail points-of-sale without the need for cash or credit card on hand, through an account set up on a computer network, Class 36
NO CASH. NO CARDS. NO PROBLEM	US	2,377,759 8/15/00	SAME AS ABOVE

List of the foregoing Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks and Trademark Licenses that have been licensed by Grantor to any third party:

FreedomPay has granted to certain third parties, in the ordinary course of FreedomPay's business, non-exclusive licenses to certain elements of the FreedomPay system.