

04-04-2003

EET

Docket No.:

LY

03-001



Tab settings

To the Honorable Commissioner of Patents

102409723

enclosed are attached original documents or copy thereof.

1. Name of conveying party(ies):

CPI Securities, LP

3.25.03

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

Additional names(s) of conveying party(ies) Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other **Partial Collateral Release Agreement**
- Merger
- Change of Name

Execution Date: **December 6, 2002**

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

Name: **MAI Systems Corporation**

Internal Address:

Street Address: **1401 Myford Road**

City: **Tustin** State: **CA** ZIP: **92680**

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

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,340,359

Additional numbers Yes No

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

Name: **Thomas C. Wettach**

Internal Address: **Cohen & Grigsby, P.C.**

15th Floor

00000068 1340359

40.00 DP

Street Address: **11 Stanwix Street**

City: **Pittsburgh** State: **PA** ZIP: **15222**

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

1

7. Total fee (37 CFR 3.41):.....\$ **40.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

charge deficiency or credit overpayment to 03-2026

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.

Christine W. Trebilcock

March 24, 2003

Name of Person Signing

Signature

Date

Total number of pages including cover sheet, attachments, and

7

TRADEMARK

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PARTIAL COLLATERAL RELEASE AGREEMENT

THIS PARTIAL COLLATERAL RELEASE AGREEMENT (this "Agreement") is dated as of December 6, 2002 by and between MAI SYSTEMS CORPORATION, a Delaware corporation ("MAI") on the one hand and CPI SECURITIES LP, a California limited liability company, THE VALUE REALIZATION FUND, LP., a Delaware limited partnership, THE CANYON VALUE REALIZATION FUND (CAYMAN), LTD., a Cayman Islands corporation, and GRS PARTNERS II (collectively, the "Lenders") on the other hand.

RECITALS

WHEREAS, MAI and Lenders are party to that certain Note Purchase Agreement dated as of March 3, 1997 (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Note Purchase Agreement") pursuant to which MAI has issued to individual Lenders certain 11% Subordinated Notes due 2003 in the aggregate original principal amount of \$6,000,000.00 (the "Notes");

WHEREAS, MAI and Lenders have executed a Security Agreement dated as of October 28, 1999 granting Lenders a security interest in various MAI assets (the "Security Agreement") (Capitalized terms not defined herein shall be defined as set forth in the Security Agreement.); and

WHEREAS, MAI has executed an Asset Purchase Agreement ("Agreement") to sell its Process Manufacturing business unit ("Process") dated December 6, 2002 to Adonix Transcomm, Inc. ("Adonix") whereby MAI has agreed to sell substantially all of the assets and liabilities of Process and

WHEREAS, the Agreements require that MAI secure release of all outstanding liens affecting the Assets duly executed by the secured parties, including the Lender,

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Incorporation of Recitals; Acknowledgments. The recitals set forth above by this reference thereto are hereby incorporated into this Agreement as representations of MAI.
2. Agreement to Release Certain Collateral. The assets being sold pursuant to the Agreement are defined herein as the "Assets." On the Effective Date, Lender agrees to release its lien on the Assets relating to the aforementioned Agreements, but no other assets or properties in which Lender has a security interest under the Security Agreement. Except as expressly

Cayman/MAI Collateral Release Agreement

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modified by this Agreement, Lender's security interests under the Security Agreement shall remain in full force and effect, and the proceeds of the Assets shall continue to be covered by the Security Agreement.

3. Representations and Warranties. MAI hereby represents and warrants to Lenders that, as of the Effective Date:

3.1 All of MAI's representations and warranties contained in this Agreement are true and correct on and as of the Effective Date, as if then made (other than representations and warranties which expressly related to an earlier date);

3.2 The execution and delivery of this Agreement by MAI and the performance of the transactions contemplated thereby, (a) are within MAI's corporate power, (b) have been duly authorized by all necessary or proper corporate action, and (c) when duly executed and delivered by MAI, this Agreement shall constitute a legal, valid and binding obligation of MAI enforceable against MAI in accordance with its terms.

3.3 The Assets relating to the Agreements are limited to Process, and none of the Assets constitutes any other asset relating to MAI's remaining business.

3.4 Coast Business Credit and CSA Private Ltd. have each agreed to a release of their security interests in the Assets relating to this Agreement by way of Partial Collateral Release Agreements substantially similar to this Agreement, and the proceeds from the sale of the Assets will be paid to Coast Business Credit.

4. Effective Date. This Agreement shall become effective as of the date first written above (the "Effective Date") upon Lender's receipt of (i) counterparts hereof executed by MAI and Lender, and (ii) mutual execution and delivery of the Agreements and (iii) execution of Partial Collateral Release Agreements by Coast Business Credit and CSA Private Ltd. in favor of MAI and delivery thereof to Lenders of copies thereof. Should the Effective Date not occur by December 31, 2002, Lenders may revoke the effectiveness, execution and delivery of this Agreement.

5. Reference to and Effect on the Loan Documents.

5.1 This Agreement shall be limited solely to the matters expressly set forth herein and shall not (i) constitute an amendment or waiver of any term or condition of the Loan Documents, (ii) prejudice any right or rights which Lender may now have or may have in the future under or in connection with the Loan Documents, (iii) require Lender to agree to a similar transaction on a future occasion or (iv) create any rights herein to another person, entity or other beneficiary or otherwise, except to the extent specifically provided herein. To the extent not inconsistent herewith, the provisions of the other Loan Documents shall apply with respect to this Agreement, and this Agreement

Copy of MAI Collateral Release Agreement

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shall be considered a Loan Document.

5.2 Except to the extent specifically provided in Section 2 above, the respective provisions of the Loan Documents, shall not be amended, modified, waived, impaired or otherwise affected hereby, and such documents and the Obligations under each of them are hereby confirmed as being in full force and effect.

6. Miscellaneous. The headings herein are for convenience of reference only and shall not alter or otherwise affect the meaning hereof. No amendment, modification, termination or waiver of any provision of this Agreement, or any consent to any departure by MAI therefrom, shall in any event be effective unless the same shall be in writing and signed by all of the Lenders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

7. Sole Benefit of Parties. This Agreement is solely for the benefit of the parties hereto and their respective successors and assigns, and no other person or entity shall have any right, benefit or interest under or because of the existence of this Agreement.

8. Further Assurances. MAI and Lender shall execute such documents and perform such further acts as may be reasonably required or desirable to carry out the provisions of this Agreement.

9. Counterparts. This Agreement may be executed in any number of separate counterparts, each of which shall collectively and separately constitute one agreement.

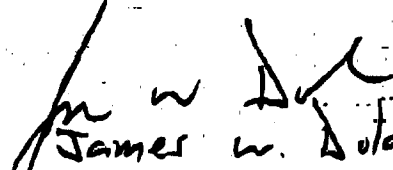
10. GOVERNING LAW. THIS AGREEMENT, AND ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE HEREOF, SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

Canyon/MAI Collateral Release Agreement

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

MAI Systems Corporation

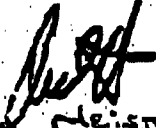
By: 
Name: James W. Dotson
Title: CFO & COO

GRS Partners II

By: Grosvenor Capital Management, L.P.,
its Administrator

By: GCM, L.L.C.,
its general partner

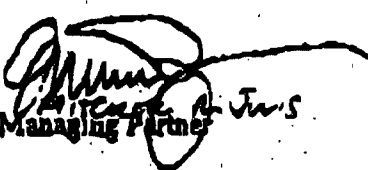

By: Grosvenor Holdings, L.L.C.

By: 
Name: Paul Meister
Title: VP

The Value Realization Fund, L.P.

By: Canpartners Investments III, L.P.,
its general partner

By: Canyon Capital Advisors LLC,
its general partner

By: 
Name: 
Title: Managing Partner

Canyon/MAI Collateral Release Agreement

EXECUTION COPY

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

MAI Systems Corporation

By:
Name:
Title:

GRS Partners II

By: Grosvenor Capital Management, L.P.,
its Administrator

By: GCM, L.L.C.,
its general partner

By: Grosvenor Holdings, L.L.C.

By:
Name:
Title:

The Value Realization Fund, L.P.

By: Canpartners Investments III, L.P.,
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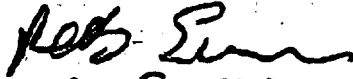
By: Canyon Capital Advisors LLC,
its general partner

By:
Name: 
Title: Managing Partner

Canyon/MAI Confidential Release Agreement

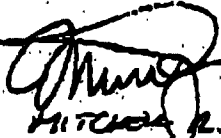
EXECUTION COPY

The Canyon Value Realization Fund (Cayman), Ltd.

By: 
Name: RCB EVENSON
Title: DIRECTOR

CPI Securities LP

By: Canpartners Incorporated,
its general partner

By: 
Name: MITCHELL R. JONES
Title: VICE PRESIDENT

Canyon/M&I Collateral Pledge Agreement

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RECORDED: 03/25/2003

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