



06-18-2003

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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)
Tab settings ⇌ ⇌ ⇌ ▼ ▼ ▼ ▼ ▼ ▼

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

<p>1. Name of conveying party(ies):</p> <p>S.N.D. Electronics, Inc.</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Association</p> <p><input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership</p> <p><input checked="" type="checkbox"/> Corporation-State</p> <p><input type="checkbox"/> Other _____ New York</p> <p>Additional name(s) of 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: Fleet Capital Corporation</p> <p>Internal Address: _____</p> <p>Street Address: One Federal Street</p> <p>City: Boston State: MA Zip: 02110</p> <p><input type="checkbox"/> Individual(s) citizenship _____</p> <p><input type="checkbox"/> Association _____</p> <p><input type="checkbox"/> General Partnership _____</p> <p><input type="checkbox"/> Limited Partnership _____</p> <p><input checked="" type="checkbox"/> Corporation-State Rhode Island</p> <p><input type="checkbox"/> Other _____</p> <p><small>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment)</small></p> <p>Additional name(s) & 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</p> <p><input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name</p> <p><input type="checkbox"/> Other _____</p> <p>Execution Date: 06/11/03</p>	

<p>4. Application number(s) or registration number(s):</p> <p>A. Trademark Application No.(s) _____</p> <p>_____</p>	<p>B. Trademark Registration No.(s) 2068371</p> <p>2068396</p> <p>_____</p> <p>Additional number(s) attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
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<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Name: Maura H. Swan</p> <p>Internal Address: c/o Goulston & Storrs</p> <p>_____</p> <p>Street Address: 400 Atlantic Avenue</p> <p>_____</p> <p>City: Boston State: MA Zip: 02110-3333</p>	<p>6. Total number of applications and registrations involved: 2</p> <p>7. Total fee (37 CFR 3.41).....\$ 65</p> <p><input checked="" type="checkbox"/> Enclosed</p> <p><input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____</p>
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DO NOT USE THIS SPACE

<p>9. Signature.</p> <p>Maura Swan</p> <p>_____ Name of Person Signing</p>	<p><i>Maura Swan</i></p> <p>_____ Signature</p>	<p>June 11, 2003</p> <p>_____ Date</p>
<p>Total number of pages including cover sheet, attachments, and document: 23</p>		

06/18/2003 LABELER 00000034 2068371
01 FC40521
02 FC40522

48.00 DP
25.00 DP

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 002757 FRAME: 0702

PATENT AND TRADEMARK SECURITY AGREEMENT

S.N.D. ELECTRONICS, INC. (the "Company"), a New York corporation having its principal place of business and chief executive offices at 77 Water Street, Greenwich, Connecticut 06830, hereby grants, assigns, transfers and conveys to FLEET CAPITAL CORPORATION, a Rhode Island corporation (the "Lender"), with its head office at One Federal Street, Boston, Massachusetts 02110, as collateral security for the payment and performance in full of the obligations of the Company and the other Credit Parties (as defined in the Credit Agreement defined herein) under a Credit and Security Agreement of even date herewith (as amended, modified and supplemented from time to time, the "Credit Agreement"), among the Company, Global Technology Exchange, the other Credit Parties party thereto, the Lender, FLEET NATIONAL BANK as Cash Management Bank and Issuing Lender (the Lender, the Cash Management Bank and the Issuing Lender, together with their successors and assigns, being herein sometimes called the "Secured Party"), and the payment and performance of all other Obligations under (and as defined in) the Credit Agreement, a continuing security interest in and first priority lien on all Patents (as hereinafter defined) and all Trademarks (as hereinafter defined).

In addition, with respect to the Trademarks, the Company has executed in blank and delivered to the Lender an assignment of federally registered trademarks (which trademarks are registered with the U.S. Patent and Trademark Office) in substantially the form of Exhibit 1 hereto (the "Assignment of Marks"), and, with respect to the Patents, the Company has executed in blank and delivered to the Lender an assignment of patents, patent applications and related patent property in substantially the form of Exhibit 2 hereto (the "Assignment of Patents"). The Company hereby authorizes the Lender to complete as assignee and record with the U.S. Patent and Trademark Office either or both of the Assignment of Marks and the Assignment of Patents upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Lender's remedies under this Patent and Trademark Security Agreement and the Credit Agreement. In addition to, and not by way of limitation of, the foregoing grant of the Trademarks and Patents, the Company grants, assigns, transfers, conveys and sets over to the Lender, the Company's entire right, title and interest in and to the Trademarks and the Patents; provided that such grant, assignment, transfer and conveyance shall be and become of force and effect only (a) upon or after the occurrence and during the continuance of an Event of Default and (b) either (i) upon the written demand of the Lender at any time during such continuance or (ii) immediately and automatically (without notice or action of any kind by the Lender) upon an Event of Default for which acceleration of the Loans is automatic under the Credit Agreement or upon the sale or other disposition of or

foreclosure upon the Collateral pursuant to the Credit Agreement and applicable law (including the transfer or other disposition of the Collateral by the Company to the Lender or its nominee in lieu of foreclosure).

Capitalized terms used but not defined herein shall have the respective meanings assigned thereto in the Credit Agreement.

The following terms, as used herein, have the meanings set forth below:

“Patents” means collectively all of the following now owned or hereafter created or acquired by the Company: (a) all patents, patent applications and Patent Licenses (as defined below), including, without limitation, those listed on Schedule A hereto, which issue or have issued in any country or jurisdiction upon any patent applications which correspond with any of such patents or patent applications; (b) all letters patent of the United States or any other country, and all applications for letters patent of the United States or any other country; (c) the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing which issue or have issued in any country or jurisdiction; (d) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (e) the right to sue for past, present and future infringements of any of the foregoing; (f) all rights corresponding to any of the foregoing throughout the world; and (g) all goodwill associated with any of the foregoing.

“Patent License” means any oral or written agreement now or hereafter in existence granting to the Company any right to use any invention on which a patent is in existence, all as may be amended, supplemented or otherwise modified from time to time, including, without limitation, those listed on Schedule A hereto.

“Trademarks” means collectively all of the following now owned or hereafter created or acquired by the Company: (a) all trademarks, Trademark Licenses (as defined below), trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof in the United States, any state in the United States or any foreign jurisdiction, and all applications in connection therewith, including, without limitation, those listed on Schedule B hereto, whether or not any of the foregoing is registered or the subject of an application for registration under federal law, state law, foreign law or otherwise; (b) all renewals thereof; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; (e) all rights corresponding to

any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing.

“Trademark License” means any oral or written agreement now or hereafter in existence granting to the Company any right to use any trademark, all as may be amended, supplemented or otherwise modified from time to time, including, without limitation, those listed on Schedule B hereto.

The Company represents and warrants to and agrees with the Secured Party as follows:

1. The Company is the sole owner in the United States and all other applicable jurisdictions of the entire right, title and interest in and to each of the Patents and Trademarks which are not Patent Licenses or Trademark Licenses and is the owner in the United States and all other applicable jurisdictions of its rights as licensee under any Patent License or Trademark License, in each case free from any mortgage, pledge, lien, security interest, charge, adverse claim or other encumbrance including, without limitation, licenses, shop rights (with regard to the Patents) and covenants not to sue, except the security interest herein granted and as otherwise permitted by the Credit Agreement. As of the date of this Agreement, no claim has been made that the use of any of the Patents or Trademarks does or may violate the rights of any third person and, to the best of the Company’s knowledge, there is no infringement by the Company of the patent or trademark rights of others. The Company shall have the duty to promptly notify the Secured Party of any such claim or infringement and the details thereof.

2. As of the date hereof, each of the Patents and Trademarks listed on Schedule A and Schedule B is valid and enforceable and, together, they constitute all patents, patent applications, trademarks and service marks now owned or used by the Company.

3. The Patents and Trademarks (other than the Trademark Licenses) are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and to the Company’s knowledge, the Trademark Licenses are subsisting and have not been adjudged invalid or unenforceable, in whole or in part).

4. The execution, delivery and performance of this Agreement are within the corporate power of the Company and have been duly authorized by all necessary corporate action and do not contravene any law, rule, regulation or any judgment, decree or order of any tribunal or of any agreement to which the Company is a party or by which any of its property is bound.

5. The Company shall have the duty, through counsel acceptable to the Secured Party, (i) to prosecute diligently any patent applications of the Patents and trademark registration applications of the Trademarks pending as of the date of this Agreement or thereafter, (ii) to apply for unpatented but reasonably patentable inventions

and (iii) to preserve and maintain all rights in the Patents and Trademarks. Any expenses incurred in connection with such applications and actions shall be borne by the Company. The Company shall not abandon any filed patent application or trademark registration, or abandon any pending patent application or patent or any trademark registration without the consent of the Secured Party, which consent shall not be unreasonably withheld, unless to do so would be reasonable, prudent or beneficial to the Company or its operations.

6. Except for patents and trademarks no longer used by the Company, the Company shall take all reasonably necessary steps to defend the Patents and Trademarks against all claims and demands of all persons at any time claiming the same or any interests in and to the Patents and Trademarks adverse to the Secured Party. Until the Obligations shall have been satisfied in full, the Company shall not pledge, mortgage or create or suffer to exist a security interest in, or enter into any license, sublicense or other agreement relating to the use of, the Patents and Trademarks, without the Secured Party's prior consent, except for the security interests granted hereby and liens permitted under the Credit Agreement.

7. The Company shall, at its sole expense, promptly apply for and obtain all renewals or extensions of the Patents and Trademarks to the full extent permitted by law except to the extent, in the Company's reasonable discretion, exercised in good faith, such renewal or extension is not reasonable, prudent or beneficial to the Company or its operations. If, before all Obligations have been satisfied in full, the Company shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application, patent for any reissue, or of any patent improvement, or if the Company develops any new trademark or service mark, the Company shall give the Secured Party prompt written notice of all such patents, trademarks, service marks, extensions and renewals, and the provisions of this Agreement shall automatically apply thereto. The Company authorizes the Secured Party to modify this Agreement, without the necessity of the Company's further approval or signature, by amending Schedule A and Schedule B to include any new patents, any divisions, continuations, renewals, extensions, continuations-in-part on any patent, and any new trademark, service mark or renewal thereof of the Company applied for and obtained hereafter.

8. The Company shall promptly notify the Secured Party of the institution of, and any adverse determination in, any proceeding in the United States Patent and Trademark Office or any other foreign or domestic governmental agency, court or body, regarding the Company's claim of ownership in any of the Patents and Trademarks which could reasonably be expected to have a material adverse effect on the Company. In the event of any material infringement by a third party of any of the Patents or Trademarks, the Company shall promptly notify the Secured Party of such infringement and shall take all reasonably necessary actions to obtain the cessation of such infringement and recover all damages resulting therefrom, including, after and during the continuance of an Event of Default, such action as the Secured Party deems reasonably necessary. If the Company shall fail to take such action within two (2) months after such notice is given to the

Secured Party, the Secured Party may upon notice to the Company, but shall not be required to, itself take such action in the name of the Company, and the Company hereby appoints the Secured Party the true and lawful attorney of the Company, for it and in its name, place and stead, on behalf of the Company, solely to commence judicial proceedings in any court or before any other tribunal to enjoin and recover damages for such infringement, any such damages due to the Company, net of costs and attorneys' fees reasonably incurred, to be applied to the Obligations.

9. The Company shall, at its sole expense, do, make, execute and deliver all such additional and further acts, things, deeds, assurances, and instruments, in each case in form and substance reasonably satisfactory to the Secured Party, relating to the creation, validity, or perfection of the security interests and assignments provided for in this Agreement under 35 U.S.C. Section 261, 15 U.S.C. Section 1051 et seq., the Uniform Commercial Code or other laws of the United States or the Commonwealth of Massachusetts or of any other countries or states as the Secured Party may from time to time reasonably request, and shall take all such other action as the Secured Party may reasonably require to more completely vest in and assure to the Secured Party its rights hereunder or in any of the Patents or Trademarks, and the Company hereby irrevocably authorizes the Secured Party or its designee during the term of this Agreement, at the Company's expense, to execute such documents, and file such financing statements with respect thereto with or without the Company's signature, as the Secured Party may deem appropriate; provided that the Secured Party shall deliver to the Company copies of all such financing statements and shall terminate at the Secured Party's expense all such filings made in error. In the event that any rerecording or refileing (or the filing of any statement of continuation or assignment of any financing statement) or any repledge or reassignment, or any other action, is required at any time to protect and preserve such security interest and assignments, the Company shall, at its sole cost and expense, cause the same to be done or taken at such time and in such manner as may be reasonably necessary and as may be reasonably requested by the Secured Party.

The Secured Party is hereby irrevocably appointed by the Company as its lawful attorney and agent during the term of this Agreement, with full power of substitution, to execute and deliver on behalf of and in the name of the Company such financing statements, assignments, pledges and other documents and agreements, and to take such other action as the Secured Party may deem necessary for the purpose of perfecting, protecting or effecting the security interests and assignments granted herein and effected hereby, and any liens necessary or desirable to implement or effectuate the same, under any applicable law, and the Secured Party is hereby authorized to file on behalf of and in the name of the Company at the Company's sole expense, such financing statements, assignments, pledges, documents, and agreements in any appropriate governmental office, provided that the Secured Party shall deliver to the Company copies of all such financing statements. The Secured Party may include reference to the Company, the Patents and the Trademarks (and may utilize any logo or other distinctive symbol associated with the Company) in connection with any advertising, promotion, marketing or sale undertaken by the Secured Party.

In fulfilling its responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with the Patents and Trademarks, the Company shall hold the Secured Party harmless from any and all costs, damages, liabilities and expenses that may be incurred by the Secured Party in connection with the Secured Party's interest in the Patents and Trademarks as authorized herein and in the Credit Agreement or any other action or failure to act in connection with this Agreement or the transactions contemplated hereby, excluding Secured Party's gross negligence or willful misconduct. In respect of such responsibility, the Company shall retain patent or trademark counsel, as the case may be, acceptable to the Secured Party.

10. If any Event of Default shall have occurred and be continuing, the Secured Party may without notice or demand declare this Agreement to be in default and the Secured Party shall thereafter have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code, including, without limitation, the right to dispose of the Patents and Trademarks at public or private sale. The Secured Party shall give to the Company at least ten (10) days' prior written notice (which the Company agrees is "reasonable notification" under the Uniform Commercial Code) of the time and place of any public sale of the Patents and Trademarks or of the time after which any private sale or any other intended disposition is to be made.

If any Event of Default shall have occurred and be continuing, the Company hereby grants to the Secured Party the right and license to make, have made, use and sell the inventions and marks disclosed and claimed in the Patents and the Trademarks for the benefit and account of the Secured Party.

To the extent permitted by applicable law, the Company hereby waives any and all rights that it may have to judicial hearing in advance of the enforcement of any of the Secured Party's rights hereunder, including, without limitation, its rights following any Event of Default to take immediate possession of the Patents and Trademarks and exercise its rights with respect thereto.

The Secured Party shall not be required to marshal any present or future security for (including, but not limited to, this Agreement and the Patents and Trademarks subject to a security interest hereunder), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of the rights hereunder and in respect of such security and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Company hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's rights under this Agreement or any other instrument evidencing any of the Obligations or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may the Company hereby irrevocably waives the benefits of all such laws.

11. Except for notices specifically provided for herein, the Company hereby expressly waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect both to the Obligations and any collateral therefor, the Company assents to any extension or postponement of the time of payment or any other indulgence, to any substitution of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Secured Party may deem advisable. The Secured Party shall have no duty as to the protection of the Patents or Trademarks or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto. The Secured Party may exercise its rights with respect to the Patents and Trademarks without resorting or regard to other collateral or sources of reimbursement for liability. The Secured Party shall not be deemed to have waived any of its rights upon or under the Obligations or the Patents and Trademarks unless such waiver be in writing and signed by the Secured Party in accordance with the terms of the Credit Agreement. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of any right on any future occasion. All rights and remedies of the Secured Party with respect to the Obligations or the Patents or Trademarks, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly or concurrently.

12. The Company will pay any and all (i) reasonable charges and costs and all taxes incurred in implementing or subsequently amending this Agreement, including, without limitation, recording and filing fees, appraisal fees, stamp taxes, and reasonable fees and disbursements of the Secured Party's counsel, incurred by the Secured Party in connection with this Agreement, and (ii) fees and disbursements reasonably incurred by the Secured Party in the preparation, execution and delivery of any waiver or consent by the Secured Party relating to this Agreement, and in the enforcement of this Agreement and in the enforcement or foreclosure of any liens, security interests or other rights of the Secured Party under this Agreement, or under any other documentation heretofore, now, or hereafter given to the Secured Party in furtherance of the transactions contemplated hereby. In addition, after the occurrence and during the continuation of an Event of Default, the Company will also pay all reasonable costs and expenses of the Secured Party in connection with the enforcement of this Agreement and with the enforcement or foreclosure of any liens, security interests or other rights of the Secured Party under this Agreement, or under any other documentation heretofore, now, or hereafter given to the Secured Party in furtherance of the transactions contemplated hereby.

The Company agrees to reimburse the Secured Party for, and indemnify the Secured Party against, any and all losses, expenses and liabilities (including liabilities for penalties) of whatever kind or nature sustained and reasonably incurred (other than as a result of the gross negligence or willful misconduct of the Secured Party) in connection with any claim, demand, suit or legal or arbitration proceeding relating to the Company's

breach of this Agreement, or the exercise of any rights or powers of the Secured Party hereunder, including reasonable attorneys' fees and disbursements.

13. The Company and the Secured Party may from time to time agree in writing to the release of certain of the Patents and Trademarks from the security interest created hereby, and, in the case of Patents or Trademarks the Company proposes to abandon, the Secured Party agrees that, prior to an Event of Default, it will release its security interest in any Patent or Trademark the Company proposes to abandon so long as such Patent or Trademark is no longer used by the Company and is not material to the operations of the Company, provided that after the occurrence and during the continuance of an Event of Default, the Secured Party's consent will be required prior to any such release and abandonment.

14. Any and all rights and interests of the Secured Party in and to the Patents and Trademarks (and any and all obligations of the Company with respect to the same) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Secured Party (and the obligations of the Company) in, to or with respect to the Collateral provided in or arising under or in connection with the Credit Agreement and shall not be in derogation thereof.

15. THIS AGREEMENT AND ALL RIGHTS AND OBLIGATIONS HEREUNDER, INCLUDING MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE UNITED STATES, AND, TO THE EXTENT THAT THE LAWS OF THE UNITED STATES ARE NOT APPLICABLE, BY AND WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS (WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS). THIS AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT. The Company agrees that any suit for the enforcement of this Agreement may be brought in the courts of the Commonwealth of Massachusetts, USA, the United States of America for the District of Massachusetts, or any appellate court to which appeals may be taken from any of the foregoing courts, and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Company by mail at the address specified in the Credit Agreement. The Company hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

16. All notices hereunder shall be in writing and shall be given as provided in the Credit Agreement.

17. When all Obligations have been paid, performed and indefeasibly discharged in full, and if at the time the Secured Party is not committed to extend any credit to the Borrowers under the Credit Agreement or under any other Loan Document, this Agreement shall terminate, and the Secured Party shall, upon request and at the

Company's expense, execute all such documentation necessary to release its security interest hereunder.

18. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by a written instrument expressly referring to this Agreement and to the provisions so modified or limited, and executed by all the parties hereto.

19. This Agreement and all obligations of the Company shall be binding upon the successors and assigns of the Company, and shall, together with the rights and remedies of the Secured Party hereunder, inure to the benefit of the Secured Party and its successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall be in no way affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Company acknowledges receipt of a copy of this Agreement. Terms used herein without definition which are defined in the Uniform Commercial Code of Massachusetts have such defined meanings herein, unless the context otherwise indicates or requires.

20. THE COMPANY AND THE SECURED PARTY MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR THE SECURED PARTY TO ENTER INTO THIS AGREEMENT AND MAKE THE LOANS. Except as prohibited by law, the Company waives any right which it may have to claim or recover in any litigation referred to in the first sentence of this Section 21 any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Company (i) certifies that neither the Secured Party, nor any representative, agent or attorney of the Secured Party, has represented, expressly or otherwise, that the Secured Party would not, in the event of litigation, seek to enforce the foregoing waivers and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents, the Secured Party is relying upon, among other things, the waivers and certifications in this Section 21.

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Signatures on next page)

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed under seal by its duly authorized officer as of this 11th day of June, 2003.

S.N.D. ELECTRONICS, INC.

By: 
Title: Chief Financial Officer

Accepted:

FLEET CAPITAL CORPORATION

By: _____
Title:

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed under seal by its duly authorized officer as of this 11th day of June, 2003.

S.N.D. ELECTRONICS, INC.

By: _____

Title:

Accepted:

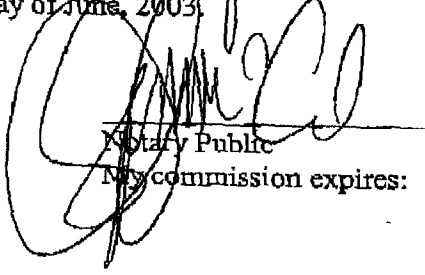
FLEET CAPITAL CORPORATION

By: _____

Title: *Vice President*

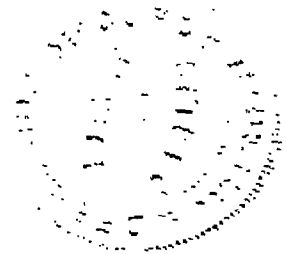
State of Connecticut)
) ss.
COUNTY OF Fairfield)

Then personally appeared the above-named Lesly J. Derenoncourt who being duly sworn stated that (s)he is the Chief Financial Officer of S.N.D. ELECTRONICS, INC., and acknowledged the foregoing instrument to be the free act and deed of S.N.D. ELECTRONICS, INC. before me, this 11th day of June, 2003.



Notary Public
My commission expires: 3/31/2007

DEBRA SUE MCCORD
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2007



SCHEDULE A

TO

PATENT AND TRADEMARK SECURITY AGREEMENT

PATENTS

None.

PATENT APPLICATIONS

None.

PATENT LICENSES

None.

SCHEDULE B

TO

PATENT AND TRADEMARK SECURITY AGREEMENT

TRADEMARKS

<u>Trademark</u>	<u>Owner</u>	<u>Status in Trademark Office</u>	<u>Federal Registration Number</u>	<u>Registration Date</u>
SND	S.N.D. Electronics, Inc.	Registered (United States)	2,068,371	June 10, 1997
SND AND DESIGN	S.N.D. Electronics, Inc.	Registered (United States)	2,068,396	June 10, 1997

TRADEMARK APPLICATIONS

None.

TRADEMARK LICENSES

1. License of trademarks from Palm, Inc. in connection with the sale and distribution of products pursuant to that certain Distributor Agreement, effective as of February 21, 2001, by and between Palm Inc. and SND Electronics, Inc.
2. License of software and trademarks from U.S. Robotics Corporation in connection with the sale and distribution of products pursuant to that certain Original Equipment Manufacturer (OEM) Sales Agreement, effective August 31, 2000, by and between U.S. Robotics Corporation and SND Electronics, Inc.
3. License of software, content, and trademarks from Hughes Network Systems, Inc. in connection with the provision of satellite-based internet services pursuant to that certain License Agreement, dated as of September 11, 2002, by and between Hughes Network Systems, Inc. and SND Electronics, Inc., and the Satellite Access Services and Equipment Distribution Agreement, dated as of September 11, 2002, by and between Hughes Network Systems, Inc. and SND Electronics, Inc.

EXHIBIT 1

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, S.N.D. ELECTRONICS, INC., a New York corporation having its principal place of business and chief executive offices at 77 Water Street, Greenwich, Connecticut 06830 (the "Assignor"), has adopted and used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____ having a place of business at _____ (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (a) the registrations of and registration applications for the Marks, (b) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this ____ day of _____, _____.

S.N.D. ELECTRONICS, INC.

By: _____
Title:

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ____ day of _____, _____.

By: _____
Title:

COUNTY OF

)
) ss.
)

On this the ____ day of _____, _____, before me appeared _____, the person who signed this instrument, who acknowledged that (s)he is the _____ of S.N.D. ELECTRONICS, INC. and that being duly authorized (s)he signed such instrument as a free act on behalf of S.N.D. ELECTRONICS, INC.

Notary Public
My commission expires:

ANNEX

Trademark
or
Service Mark

Registrations
United States Patent and Trademark Office
Registration No. Registration Date

SND	2,068,371	June 10, 1997
SND AND DESIGN	2,068,396	June 10, 1997

Trademark
or
Service Mark

Registrations
United States Patent and Trademark Office
Serial No. Filing Date

None.

EXHIBIT 2

ASSIGNMENT OF PATENTS

WHEREAS, S.N.D. ELECTRONICS, INC., a New York corporation having its principal place of business and chief executive offices at 77 Water Street, Greenwich, Connecticut 06830 (the "Assignor"), owns the patents, patent applications and related patent property (the "Patents") identified on the Annex hereto; and

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____ having a place of business at _____ (the "Assignee"), is desirous of acquiring the Patents;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Patents and to any and all continuations, continuations in-part, divisions, patents of addition, renewals, extensions, foreign counterparts, utility models, reexaminations and reissues of any of said Patents for the full term thereof, this assignment including the Assignor's entire right to bring suit and recover damages for past infringement of any of said Patents and to assert any claim, action or cause of action that may have arisen prior to the date of this assignment or thereafter under any of said Patents.

This Assignment of Patents is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Patents below.

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this ____ day of _____, _____.

S.N.D. ELECTRONICS, INC.

By: _____
Title:

The foregoing assignment of the Patents by the Assignor to the Assignee is hereby accepted as of the ____ day of _____, ____.

By: _____
Title:

COUNTY OF

) ss.
)

On this the ____ day of _____, _____, before me appeared _____, the person who signed this instrument, who acknowledged that (s)he is the _____ of S.N.D. ELECTRONICS, INC. and that being duly authorized (s)he signed such instrument as a free act on behalf of S.N.D. ELECTRONICS, INC.

Notary Public
My commission expires:

ANNEX

Patent

Registrations
United States Patent and Trademark Office
Patent No.

Patent

Applications
United States Patent and Trademark Office
Patent Application No.