

05-10-2004

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Form PTO-1594 (Rev. 10/02) OMB No. 0651-001 Tab settings



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

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

1. Name of conveying party(ies):  
Sequiam Biometrics, Inc.

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

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

3. Nature of conveyance:  
 Assignment       Merger  
 Security Agreement       Change of Name  
 Other Grant of Security Interest

Execution Date: 04/27/2004

2. Name and address of receiving party(ies)  
Name: Laurus Master Fund, Ltd.  
Internal  
Address: \_\_\_\_\_  
Street Address: 825 Third Avenue, 14th Floor  
City: New York State: NY Zip: 10022

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State Cayman Island  
 Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)  
Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or registration number(s):  
A. Trademark Application No.(s) \_\_\_\_\_  
\_\_\_\_\_

Additional number(s) attached  Yes  No

B. Trademark Registration No.(s) See Schedule 1  
to Grant of Security Interest

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name: \_\_\_\_\_  
Internal  
Attn: Penelope J.A. Agodoa  
Federal Research Company, LLC  
1030 15th Street, NW, Suite 920  
Washington, DC 20005  
202.783.2700

Street Address: \_\_\_\_\_  
\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41) \$65<sup>00</sup>

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

DO NOT USE THIS SPACE

9. Signature.

Derek Lively  
Name of Person Signing

Signature

05/06/2004  
Date

05/11/2004 BT011 0000009 78230737

01 FC:8521 40.00 OP  
02 FC:8522 25.00 OP

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

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

**SCHEDULE 1 TO GRANT OF SECURITY INTEREST**

**REGISTERED TRADEMARKS AND TRADEMARK APPLICATIONS**

<u>Trademark</u>	<u>Registration or Application Number</u>	<u>Registration or Application Date</u>	<u>Country</u>
Bio Vault	78230757	03/27/03	USA
Smart Biometrics	78230740	03/27/03	USA

## GRANT OF SECURITY INTEREST

### IN PATENTS AND TRADEMARKS

THIS GRANT OF SECURITY INTEREST ("Grant"), effected as of April 27, 2004, is executed by Sequiam Biometrics, Inc., a Florida corporation ("Sequiam Biometrics"), in favor of Laurus Master Fund, Ltd. (the "Secured Party").

A. Pursuant to a Master Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") among Sequiam Biometrics, certain other Assignors (as defined in the Security Agreement), and the Secured Party, the terms and provisions of which are hereby incorporated herein as if fully set forth herein, Sequiam Biometrics and the other Assignors have granted a security interest to the Secured Party in consideration of the Secured Party's agreement to provide loans to Sequiam Corporation.

B. Sequiam Biometrics (1) has adopted, used and is using the trademarks reflected in the trademark registrations and trademark applications in the United States Patent and Trademark Office more particularly described on Schedule 1 annexed hereto as part hereof (the "Trademarks"), and (2) has registered or applied for registration in the United States Patent and Trademark Office of the patents more particularly described on Schedule 2 annexed hereto as part hereof (the "Patents").

C. Sequiam Biometrics wishes to confirm its grant to the Secured Party of a security interest in all right, title and interest of Sequiam Biometrics in and to the Trademarks and Patents, and all proceeds thereof, together with the business as well as the goodwill of the business symbolized by, or related or pertaining to, the Trademarks, and the customer lists and records related to the Trademarks and Patents and all causes of action which may exist by reason of infringement of any of the Trademarks and Patents (collectively, the "T&P Collateral"), to secure the payment, performance and observance of the Obligations (as that term is defined in the Security Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged:

1. Sequiam Biometrics does hereby further grant to the Secured Party a security interest in the T&P Collateral to secure the full and prompt payment, performance and observance of the Obligations.

2. Sequiam Biometrics agrees to perform, so long as the Security Agreement is in effect, all acts deemed necessary or desirable by the Secured Party to permit and assist it, at Sequiam Biometrics' expense, in obtaining and enforcing the Trademarks and Patents in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. Sequiam Biometrics hereby appoints the Secured Party as Sequiam Biometrics' attorney-in-fact to execute and file any and all agreements, instruments, documents and papers as the Secured Party may determine to be necessary or desirable to evidence the Secured Party's security interest in the Trademarks and Patents or any other element of the T&P Collateral, all acts of such attorney-in-fact being hereby ratified and confirmed.

3. Sequiam Biometrics acknowledges and affirms that the rights and remedies of the Secured Party with respect to the security interest in the T&P Collateral granted hereby are more fully set forth in the Security Agreement and the rights and remedies set forth herein are without prejudice to, and are in addition to, those set forth in the Security Agreement. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

4. Sequiam Biometrics agrees to execute financing statements or other instruments to the extent required by the Uniform Commercial Code and in executing such other documents or instruments as may be required or deemed necessary by you for purposes of affecting or continuing your security interest in the T&P Collateral.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]*

IN WITNESS WHEREOF, Sequiam Biometrics has caused this instrument to be executed as of the day and year first above written.

**SEQUIAM BIOMETRICS, INC.**

By: Mark Mroczkowski  
Name: Mark Mroczkowski  
Title: Secretary & CFO

STATE OF FLORIDA )  
                                  ) ss.:

COUNTY OF ORANGE )

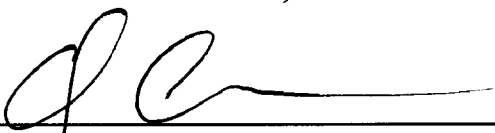
On this 27<sup>th</sup> day of April, 2004, before me personally came MARK MROCKZKOWSKI who, being by me duly sworn, did state as follows: that he is Secretary and Chief Financial Officer of **Sequiam Biometrics, Inc.** that he is authorized to execute the foregoing Grant on behalf of said corporation and that he did so by authority of the Board of Directors of said corporation.

Heather E Irving  
Notary Public



Heather E Irving  
My Commission DD197784  
Expires May 04, 2007

**LAURUS MASTER FUND, LTD.**

By:   
Name: Eugene Grin  
Title: Director

**SCHEDULE 2 TO GRANT OF SECURITY INTEREST**

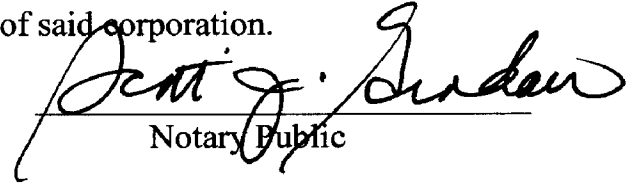
**PATENTS AND PATENT APPLICATIONS**

<u>Patent</u>	<u>Registration or Application Number</u>	<u>Registration or Application Date</u>	<u>Country</u>
High security storage unit and biometric entry system	10/185,453	06/28/02	USA
Fingerprint Biometric Lock	10/358,013	02/04/03	USA

STATE OF NEW YORK)

COUNTY OF NEW YORK)

On this 5<sup>th</sup> day of May, 2004, before me personally came Eugene Grin who, being by me duly sworn, did state as follows: that he is Director of Laurus Master Fund, Ltd., and that he is authorized to execute the foregoing Grant on behalf of said corporation.

  
Notary Public

**SCOTT J. GIORDANO**  
Notary Public, State of New York  
No. 02G15044900  
Qualified in New York County  
Commission Expires June 5, 2007