

Form PTO-1594
(rev 06/04)**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**U. S. Department of Commerce
Patent and Trademark Office

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below:

1. Name of conveying party(ies)/Execution Date(s):**Smarte Carte Inc.**

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation – State
☐ Other

Citizenship MinnesotaExecution Date(s) May 26, 2005Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No**3. Nature of conveyance:**

☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Government Interest Assignment
☐ Other

2. Name and Address of receiving party(ies)Additional name(s) & address(es) attached? ☐ Yes ☒ NoName: **Black Diamond Commercial Finance, LLC**

Internal Address: _____

Street Address: One Hibiscus AlleyCity: St. ThomasState: Virgin IslandsCountry: United States Zip: 00802

☐ Association – Citizenship
☐ General Partnership – Citizenship
☐ Limited Partnership – Citizenship
☐ Corporation – Citizenship

☒ Other Limited Liability Company
 Citizenship United States Virgin Islands

If assignee is not domiciled in the United States, a domestic representative designation is attached ☐ Yes ☒ No.**4. Application number(s) or registration number(s):**

A. Trademark Application No(s).

78310731 78492859 78183089

B. Trademark Registration No(s).

1987243	1990036	1988663
1990032	2146624	1990031
2155203	2443043	1420480
2393988	2267689	2264167
1448455	1126672	1014325
1923545	1468251	

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

Matthew B. Fagin, Esq.
 SKADDEN, ARPS, SLATE, MEAGHER
 & FLOM LLP
 Four Times Square
 New York, New York 10036
 Tel: (212) 735-3000
 Fax: (212) 735-2000
 MFagin@skadden.com

6. Total number of applications and registrations involved:**20****7. Total fee (37 CFR 1.21(h) and 3.41) \$515**

☒ All fees and any deficiencies (or credits) are authorized to be charged (or credited) to Deposit Account
 (Our Ref. 697870/1)

8. Payment InformationDeposit Account No. 19-2385Authorized user Name: Philip Bartels**9. Signature.**


Signature

Matthew Fagin

Name of Person Signing

September 29, 2005

Date

Total number of pages including cover sheet, and documents:

6

CH \$515.00 192385 78310731

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TRADEMARK. SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT ("Agreement"), effective as of May 26, 2005, is entered into by SMARTE CARTE INC., a Minnesota corporation, located at 4455 White Bear Parkway St. Paul, MN 55110-7641 (the "Grantor"), in favor of BLACK DIAMOND COMMERCIAL FINANCE, LLC, a United States Virgin Islands limited liability company, located at One Hibiscus Alley, St. Thomas, VI 00802, as administrative agent for the lenders parties to the Credit Agreement (as such term is defined in the Security Agreement referred to below) (together with its successors and assigns, the "Secured Party"). Capitalized terms not otherwise defined herein have the meanings set forth in the Pledge and Security Agreement, dated as of May 26, 2005 among Grantor, the Secured Party and the other parties thereto (the "Security Agreement").

WHEREAS, pursuant to the Security Agreement, Grantor is granting a security interest to the Secured Party in certain collateral, including the Trademarks (as defined herein).

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor agrees as follows:

1. Grant of Security Interest

- a. As security for the prompt and complete payment and performance in full of the Obligations, Grantor hereby grants to the Secured Party a security interest in and continuing lien upon all of the Grantor's right, title, and interest in the Trademarks, whether now owned or existing or hereafter acquired or arising, and wherever located.
- b. For purposes of this Agreement, "Trademarks" shall mean all of the Grantor's right, title, and interest in and to all United States and foreign trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether 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 or

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any political subdivision thereof, or otherwise, and all common-law rights related thereto, and the right to obtain all renewals thereof.

- c. Schedule A hereto contains a true and accurate list of all of Grantor's United States Trademarks, including all trademark and service mark applications.
- d. The security interest granted hereby is granted in conjunction with the security interest granted to the Secured Party under the Security Agreement. The rights and remedies of the Secured Party with respect to the security interest granted hereby are in addition to those set forth in the Security Agreement (which is deemed incorporated by reference herein) and the other Loan Documents and those which are now or hereafter available to the Secured Party as a matter of law or equity. The exercise by the Secured Party of any one or more of the rights, powers or remedies provided for in this Agreement, in the Security Agreement, in the other Loan Documents or now or hereafter existing at law or in equity shall not preclude the simultaneous or later exercise by any person, including Secured Party, of any or all other rights, powers or remedies.

2. Modification of Agreement

This Agreement or any provision hereof may not be changed, waived, or terminated except in accordance with the amendment provisions of the Security Agreement. Notwithstanding the foregoing, Grantor authorizes the Secured Party, upon notice to Grantor, to modify this Agreement in the name of and on behalf of the Grantor without obtaining the Grantor's signature to such modification, to the extent that such modification constitutes an amendment of Schedule A to add any right, title, or interest in any United States Trademark, including any trademark or service mark application owned or subsequently acquired by Grantor. Grantor additionally agrees to execute any additional agreement or amendment hereto as may be required by the Secured Party from time to time to subject any such owned or subsequently acquired right, title or interest in any Trademark to the liens and perfection created or contemplated hereby or by the Security Agreement.

3. Governing Law

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK.

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4. Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the Grantor, the Secured Party, all future holders of the Obligations and their respective successors and assigns, except that the Grantor may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party.

5. Counterparts

This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which when so executed, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Grantor has caused this Agreement to be duly executed and delivered as of the date first above written.

SMARTE CARTE INC.
("Grantor")

By: 

Name: EDWARD D. RUDIS
Title: CHIEF EXECUTIVE OFFICER

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SCHEDULE A TO TRADEMARK SECURITY AGREEMENT

<u>Mark</u>	<u>Date Registered</u>	<u>Reg. No.</u>
Design	07/16/96	1987243
Design	07/30/96	1990036
Design	07/23/95	1988663
Design	07/30/95	1990032
Design	03/24/98	2146624
Design	07/30/96	1990031
Design	05/05/98	2155203
ENTERPRISE GPS	04/10/01	2443043
SMARTE CARTE	12/09/86	1420480
SMARTE DOOR	10/08/03	78/310731
	(filing number)	(serial number)
SMARTE KEY	10/10/00	2393988
SMARTE LOCKE	08/03/99	2267689
SMARTE PLANNER	07/27/99	2264167
SMARTE TALKS	07/21/87	1448455
SMARTECARTE	11/13/79	1126672
SMARTECARTE	06/24/75	1014325
SMARTECARTE	10/03/95	1923545
SMARTWHEELS	10/01/04	78/492859
	(filing number)	(serial number)
WORLDCARTE	11/08/02	78/183089
	(filing number)	(serial number)
CONCOURSE	12/08/87	1468251

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STATE OF MINNESOTA)
) ss:
COUNTY OF CHISAGO)

On September 27, 2005 before me, the undersigned, a notary public in and for said state and county, personally appeared Edward D. Rudy, personally known to me (or proved to me on the basis of satisfactory evidence), to be the person who executed the within instrument as the CEO, on behalf of SMARTE CARTE INC., a Minnesota corporation, the corporation therein named, and acknowledged to me that the corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS MY HAND AND OFFICIAL SEAL.

(NOTARIAL STAMP OR SEAL)



Rhonda K. Boudewyns
Notary Public

My Commission Expires:

1-31-10