

NAME OF SUBMITTER:	Rachel Blue
Signature:	/rachelblue/
Date:	07/05/2006

Total Attachments: 16

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SOFTWARE PURCHASE AGREEMENT

This Software Purchase Agreement (“Agreement”) is made and entered into effective as of this 15th day of June, 2006 (“Effective Date”) by and between, on one hand, Phoenix Software International, Inc., a California corporation (“Purchaser”), and, on the other hand, Scan-Optics, LLC, a Delaware limited liability company (“SO-US”), and its wholly-owned subsidiaries Scan-Optics (Canada) Ltd., a Canadian corporation (“SO-Canada”), and Scan-Optics, Ltd., a United Kingdom limited company (“SO-England”) (SO-US, SO-Canada and SO-England are each referred to as a “Seller” and collectively as the “Sellers”), with reference to the following recitals:

A. Sellers own or otherwise hold rights to certain software assets and contract rights relative to Sellers’ software products commonly known as and referred to as Image EMC++, Key Entry III, VistaCapture and DocWise software product lines.

B. Purchaser wishes to acquire all of Sellers’ right, title and interest in such software assets and contract rights and to assume certain obligations and liabilities of Sellers relative to such software assets and contract rights, and Sellers are willing to transfer and assign such right, title and interest in and to delegate such obligations and liabilities, on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, Purchaser and Sellers agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In addition to certain capitalized terms defined on first use in this Agreement, the following capitalized terms shall have the following meanings:

(a) “Assigned Contracts” means all of the Software Contracts; provided, however, for a Software Contract which contains rights and obligations relating to hardware or software other than the Software, the Assigned Contract shall not include such rights and obligations which continue to be retained by Sellers and remains the sole responsibility and obligation of Sellers.

(b) “Assumed Liabilities” means all Liabilities of Sellers relating to the Software under the Assigned Contracts, excluding Liabilities arising from the breach of any provision of any Assigned Contract by Sellers (including product liability claims and other claims arising from Software sold, licensed or leased by Sellers prior to the Effective Date).

(y) "Third Party Technology" means the third party software and other technology that is embedded in or otherwise used or held for use by Sellers in connection with the Software, including in connection with the development and distribution of the Software.

(z) "Trademarks" means those registered and unregistered trademarks, service marks, trade names, logos and other business identifiers (including all goodwill connected therewith), and applications for registration of any of the foregoing, set forth on Exhibit B attached to this Agreement.

1.2 Sellers' Liability. Unless otherwise expressly stated, SO-US shall guaranty the performance and obligations of all of the Sellers.

1.3 Licensees. Unless otherwise expressly stated, "licensees" of the Software shall include all end-users of the Software whether characterized or described as lessees, purchasers or otherwise.

ARTICLE II

TRANSACTION; ASSIGNMENT AND ACCEPTANCE

2.1 Assignment and Transfer. Subject to Purchaser's payment of the Purchase Price and performance of all Closing obligations as set forth in this Agreement, Sellers, effective the Effective Date, (i) sell, assign and transfer to Purchaser all of Sellers' legal and beneficial right, title and interest in and to the Acquired Assets, free and clear of any Encumbrances, other than the Permitted Encumbrances, and (ii) delegates and transfers to Purchaser all of the Assumed Liabilities. Notwithstanding anything to the contrary herein, Purchaser agrees and acknowledges that certain of the Software Contracts require written consents from customers for a formal assignment as described in Section 5.12.

2.2 Acceptance and Assumption. Purchaser accepts such assignment and transfer of all of Sellers' right, title and interest in and to the Acquired Assets and the delegation of all of the Assumed Liabilities as described in Section 2.1.

2.3 Transfer of Title; Risk of Loss. With respect to the Closing deliverables referenced in Article IV, the assignment and transfer contemplated by Section 2.1 shall be effective upon Purchaser's receipt of such Closing deliverables at the location noted in Section 4.2. Sellers shall bear all risk of loss with respect to such Closing deliverables until such delivery, whereupon such risk of loss shall pass to Purchaser.

of the aforementioned items have been delivered to Purchaser by electronic downloads except as otherwise expressly agreed to in writing by Purchaser;

(ix) all copies of all Software;

(x) all designs and technology including source codes, object codes, upgrades, fixes, enhancements, specifications, user guides, instructional materials, manuals, test reports, bills of materials and similar documentation relating to the Software and Acquired Assets;

(xi) all source and object codes, and related technical information, for non current versions of the Software including the Legacy Software; and

(xii) any other items comprising the Acquired Assets or Software in the Sellers' possession or control. All of the aforementioned items will be delivered to Purchaser by electronic downloads except as otherwise expressly agreed to in writing by Purchaser.

(e) A fully functional and complete copy, on a media and in a mutually agreed upon format, of all Assigned Contracts.

(f) Copies of currently registered and registration pending Trademarks and Copyrights relating to the Software evidencing that the registered Trademarks and Copyrights are owned beneficially and of record by Sellers, including, but not limited to, VistaCapture™, VistaEdit, Key Entry III, VistaForm™, and VistaStat, plus copies of all correspondence, prosecution history, searches, trademark or copyright rejections or denials, and other documentation in Sellers' possession or control relating to the registered Copyrights and the Trademarks.

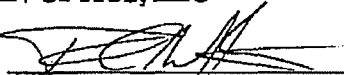
(g) Those documents or forms, duly executed by Sellers, reasonably necessary to formally transfer record title to Purchaser of the registered Trademarks and Copyrights, including trademark and copyright assignments in a form acceptable for recording with the USPTO and U.S. Copyright Office, respectively, which documents and forms will be substantially in the form attached as Exhibit D_ to this Agreement.

(h) Documentation satisfactory to Purchaser that Patriarch Partners Agency Services, LLC ("Patriarch") and its affiliated entities have released their security interests in the Acquired Assets and has no objection to the sale of the Acquired Assets to Purchaser, which documentation shall be substantially in the form attached as Exhibit E to this Agreement.


PHOENIX SOFTWARE INTERNATIONAL, INC.

By: _____
Name: Fred G. Hoschett
Title: Chief Executive Officer

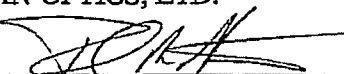
SCAN-OPTICS, LLC

By:  _____
Name: Paul Yantus
Title: Chief Executive Officer

SCAN-OPTICS (CANADA), LTD.

By:  _____
Name: Paul Yantus
Title: Chief Executive Officer

SCAN-OPTICS, LTD.

By:  _____
Name: Paul Yantus
Title: Chief Executive Officer

PHOENIX SOFTWARE INTERNATIONAL, INC.

By: 

Name: Fred G. Hoschett
Title: Chief Executive Officer

SCAN-OPTICS, LLC

By: _____

Name: Paul Yantus
Title: Chief Executive Officer

SCAN-OPTICS (CANADA), LTD.

By: _____

Name: Paul Yantus
Title: Chief Executive Officer

SCAN-OPTICS, LTD.

By: _____

Name: Paul Yantus
Title: Chief Executive Officer

EXHIBIT B

Trademarks

Registrations with United States Patent and Trademark Office:

<u>Trademark or Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
VISTAFORM	2360545	06/20/2000
VISTACAPTURE	2385948	09/12/2000
VISTASTAT	2385947	09/12/2000
VISTAEDIT	2,182,388	08/18/1998
KEY ENTRY III	1,421,756	12/23/1986

Unregistered trademarks or service marks for which Sellers
make no representations or warranties:

DocWise (which includes modules entitled):

dwIMPORT
dwSTORE
dwFAX
dwWEB

Image EMC++

VistaCapture (which includes modules entitled):

VistaImage
VistaQueue
VistaView
VistaDisplay
VistaBatch
VistaKey
VistaICR
VistaMarkSense

macintosh hd:users:dave:desktop:so software exhibits:exhibit b.doc

Exhibit D

ASSIGNMENT OF TRADEMARKS

This Assignment of Trademarks (this "Assignment") is made as of August 5, 2005 (the "Effective Date"), by and between Scan-Optics, Inc., a Delaware corporation, with its principal place of business at 169 Progress Drive, Manchester, Connecticut 06040 ("Assignor"), and Scan-Optics, LLC, a Delaware limited liability company, with its principal place of business at 169 Progress Drive, Manchester, Connecticut 06040 ("Assignee").

WHEREAS, Assignor is the owner of all right, title and interest in and to the trademarks and service marks and the registrations and/or applications therefor that are listed on Exhibit A attached hereto and incorporated herein by reference (collectively, the "Marks");

WHEREAS, Assignor, SO Acquisition, LLC (n/k/a Scan-Optics, LLC) and the other parties thereto have entered into a Foreclosure Agreement, dated as of August 5, 2005 (the "Foreclosure Agreement");

WHEREAS, pursuant to the Foreclosure Agreement, Assignor has agreed to assign to Assignee, among other things, the entire business relating to the Marks as of the Effective Date;

WHEREAS, Assignor is desirous of assigning and Assignee is desirous of obtaining all right, title and interest in and to the Marks.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignor assigns to Assignee all its rights, title and interest in and to the Marks in the United States, and the registration therefor in the United States Patent and Trademark Office, together with the goodwill of the business connected with the use of and symbolized by said Marks, and together with any and all interests, claims and rights for damages and profits by reason of any past infringement or unauthorized use of the Marks, false designations of origin, unfair competition, deceptive trade practices and/or dilution related to the Marks, use of confusingly similar marks or names by others and all other related causes of action and the right to sue therefor.

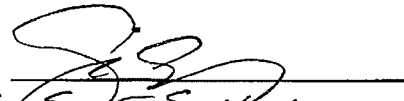
2. Assignor agrees to perform all reasonable and proper additional acts and to execute any additional documents at the request and expense of Assignee which Assignee may require in order to transfer all of Assignor's rights, title and interest in and to the Marks to Assignee, its successors or assigns.

[Remainder of page intentionally left blank; signatures follow on next page]

IN WITNESS WHEREOF, the parties have caused this Assignment to be duly executed as of the date first written above, with effect as of the Effective Date, which Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ASSIGNOR:
SCAN-OPTICS, INC.

ASSIGNEE:
SCAN-OPTICS, LLC

By: 
Name: Scott S. Kelly
Title: President

By: _____
Name: _____
Title: _____

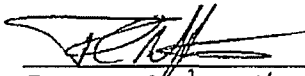
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IN WITNESS WHEREOF, the parties have caused this Assignment to be duly executed as of the date first written above, with effect as of the Effective Date, which Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ASSIGNOR:
SCAN-OPTICS, INC.

ASSIGNEE:
SCAN-OPTICS, LLC

By: _____
Name:
Title:

By: 
Name: PAUL MYANTUS
Title: PRESIDENT

NY315917.2/2047-12419

EXHIBIT A

Registrations - -

United States Patent and Trademark Office

<u>Trademark or Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
SO	946,297	10/31/1972
SCAN-OPTICS	949,308	12/26/1972
VISTAFORM	2360545	06/20/2000
VISTACAPTURE	2385948	09/12/2000
VISTASTAT	2385947	09/12/2000
VISTAEDIT	2,182,388	08/18/1998
MENU MANAGER	1,513,353	11/22/1988
KEY ENTRY III	1,421,756	12/23/1986
SCANGEN	2,022,344	12/10/1996

Pending Applications - -

United States Patent and Trademark Office

<u>Trademark or Service Mark</u>	<u>Serial No.</u>	<u>Filing Date</u>
None		

(EXHIBIT A CONTINUED)

Foreign Trademarks and Trademark Registration

<u>Country/ Reference</u>	<u>Trademark or Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
<u>CANADA</u>			
SOI/T01/9/CA	SO & Design	191,952	06/22/1973
SOI/T02/9/CA	SCAN-OPTICS	193,821	09/07/1973
<u>JAPAN</u>			
SOI/T01/9/JP	SO & Design	1,225,188	10/07/1976
<u>ITALY</u>			
SOI/T01A/9/IT	SO & Design	T091C001933	09/12/1991
SOI/T02A/9/IT	SCAN-OPTICS	T091C001939	09/12/1991

NY315917.2/2047-12419

ASSIGNMENT OF TRADEMARKS

This assignment is made between Scan-Optics, LLC, a Delaware limited liability company corporation whose address is 169 Progress Drive, Manchester, Connecticut (f/k/a SO Acquisition, LLC) ("Assignor"), and Phoenix Software International, Inc., a California corporation whose address is 5200 West Century Boulevard, Suite. 800, Los Angeles, California ("Assignee").

WHEREAS, Assignor is the owner of all right, title and interest in and to the trademarks and service marks and the registrations and/or applications therefore that are listed on Exhibit A-1 attached hereto and incorporated herein by reference (collectively the "Marks");

WHEREAS, Assignor may hold rights, title and or interests in and to the unregistered trademarks and service marks that are listed on Exhibit A-2 attached hereto and incorporated herein by reference (collectively the "Unregistered Marks");

WHEREAS, pursuant to a certain Software Purchase Agreement, dated as of June __, 2006, by and between Assignor and Assignee, Assignor has agreed to assign all of its right, title and interest in and to the Marks and Unregistered Marks.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignor assigns to Assignee all its rights, title and interest in and to the Marks in the United States, and the registrations therefor in the United States Patent and Trademark Office, together with the goodwill of the business connected with the use of and symbolized by said Marks, and together with any and all interests, claims and rights for damages and profits by reason of any past infringement or unauthorized use of the Marks, false designations of origin, unfair competition, deceptive trade practices and/or dilution related to the Marks, use of confusingly similar marks or names by others and all other related causes of action and the right to sue therefor.

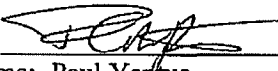
2. Assignor assigns to Assignee all its rights, title and interest in and to the Unregistered Marks, together with the goodwill of the business connected with the use of and symbolized by said Unregistered Marks, and together with any and all interests, claims and rights for damages and profits by reason of any past infringement or unauthorized use of the Unregistered Marks, false designations of origin, unfair competition, deceptive trade practices and/or dilution related to the Unregistered Marks, use of confusingly similar marks or names by others and all other related causes of action and the right to sue therefore.

3. Assignor agrees to perform all reasonable and proper additional acts and to execute any additional documents at the request and expense of Assignee which Assignee may require in order to transfer all of Assignor's rights, title and interest in and to the Marks or Unregistered Marks to Assignee, its successors or assigns.

Dated: June 15, 2006

ASSIGNOR

SCAN-OPTICS, LLC

By: 
Name: Paul Yarus
Title: President

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ASSIGNEE

PHOENIX SOFTWARE
INTERNATIONAL, INC.

By: _____
Name: Fred G. Hoschett
Title: Chief Executive Officer

Dated: June 15, 2006

ASSIGNOR

SCAN-OPTICS, LLC

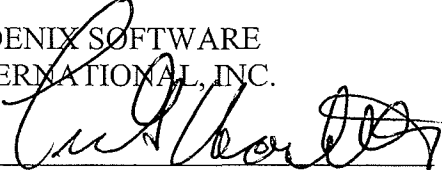
By: _____

Name: Paul Yantus

Title: President

ASSIGNEE

PHOENIX SOFTWARE
INTERNATIONAL, INC.

By:  _____

Name: Fred G. Hoschett

Title: Chief Executive Officer

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EXHIBIT A-1

Registrations with United States Patent and Trademark Office

<u>Trademark or Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
VISTAFORM	2360545	06/20/2000
VISTACAPTURE	2385948	09/12/2000
VISTASTAT	2385947	09/12/2000
VISTAEDIT	2,182,388	08/18/1998
KEY ENTRY III	1,421,756	12/23/1986

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EXHIBIT A-2

DocWise (which includes modules entitled):

dwIMPORT
dwSTORE
dwFAX
dwWEB

Image EMC++

VistaCapture (which includes modules entitled):

VistaImage
VistaQueue
VistaView
VistaDisplay
VistaBatch
VistaKey
VistaICR
VistaMarkSense

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