

09-23-1999



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U.S. Department of Commerce
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TRADEMARK

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1999 SEP 17 AM 11:11

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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY UPR/FINANCE

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name TLJ Enterprises, Inc.

061699

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name Green Mountain Capital, L.P.

DBA/AK/TA

Composed of

Address (line 1) RD 1, Box 1503

Address (line 2)

Address (line 3) Waterbury

VT

05676

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

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Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231
TRADEMARK

REEL: 001962 FRAME: 0701

Domestic Representative Name and Address Enter for the first Receiving Party only.

Name 1999 SEP 17 AM 11:11

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached
Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2106290"/>	<input type="text"/>	<input type="text"/>
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Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

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. Charges to deposit account are authorized, as indicated herein.

Dodd S. Griffith

Dodd S. Griffith

September 16, 1999

Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Trademark Application Number(s) or Registration Number(s)

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Mark if additional numbers attached

Trademark Application Number(s)

Registration Number(s)

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TRADEMARK SECURITY AGREEMENT

AGREEMENT (this "Agreement") dated as of June 16, 1999 made by TLJ ENTERPRISES, INC., a corporation organized and existing under the laws of the State of Massachusetts, with its principal office at 75 Pine Street Extension, Millyard Technical Park, Nashua, New Hampshire, 03060 ("Borrower"), in favor of Green Mountain Capital, L.P., a Vermont limited partnership having a place of business at RD 1, Box 1503, Waterbury, Vermont, 05676, and its successors, assigns, and other legal representatives (the "Secured Party").

W I T N E S S E T H:

WHEREAS, Borrower wishes Secured Party to loan it \$150,000 pursuant to the terms of a 60 day secured promissory note (the "Short Term Loan"), and at the maturity of the Short Term Loan, to loan it an additional \$500,000 payable over 5 years (the "Term Loan"), a portion of which sum would be used to repay the Short Term Loan;

WHEREAS, Secured Party is willing to make the Short Term Loan to Borrower; and is willing to make the Term Loan, provided that Borrower satisfies certain pre-conditions to Secured Party becoming obligated to making the Term Loan;

WHEREAS, it is a condition to the Short Term Loan and a pre-condition to Secured Party becoming obligated to make the Term Loan that Borrower provide Secured Party with a lien on all of its general, patent, trademark and copyright collateral as security for the repayment of the Short Term Loan, and as security for all future obligations of Borrower to Secured Party, including but not limited to the proposed Term Loan;

NOW, THEREFORE, in consideration of the agreement of Secured Party to extend credit or other financial accommodations to Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in addition to, and not in limitation of, any rights of the Secured Party, Borrower hereby agrees for the benefit of Secured Party as follows:

1. DEFINITIONS. All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefore in the Loan Documents (as defined below). In addition, the following terms shall have the meanings set forth in this Section 1:

"Loan Documents" means all documents and instruments evidencing the agreements by and between Borrower and Secured Party relating to the Short Term Loan, the Term Loan if extended to Borrower by Secured Party, and all future financing transaction between Borrower and Secured Party, including but not limited to all promissory notes, loan agreements, security agreements, warrant agreements, and personal guarantees, whether now existing or hereafter arising.

"Obligations" shall mean means all loans, interest, fees, debts, liabilities, obligations, agreements, undertakings, covenants and duties owing or to be performed or observed by Borrower to or in favor of Secured Party, of every kind and description (whether or not: evidenced by any note or instrument; for the payment of money; arising out of this Agreement, the Loan Documents, or any other agreement between Lender and Borrower or any other instrument of Borrower in favor of Lender; or contemplated as of the date hereof), direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation the Short Term Loan, and the Term Loan if extended to Borrower by the Secured Party.

"Proceeds" shall mean any consideration received from the sale, exchange, license, lease or other transfer or disposition of any right, interest, asset or property which constitutes Trademark Collateral, any value received as a consequence of the ownership, possession, or use of any Trademark Collateral, and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes Trademark Collateral.

"PTO" shall mean the United States Patent and Trademark Office.

"Trademarks" shall mean all of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and/or other source and/or product or service identifiers, and general intangibles of like nature, used or associated with or appurtenant to the products, services and business of Borrower, which (i) are set forth on **Schedule A** attached hereto, or (ii) have been adopted, acquired, owned, held or used by Borrower and are now owned, held or used by Borrower, in Borrower's business, or with Borrower's products and services, or in which Borrower has any right, title or interest, or (iii) are in the future adopted, acquired, owned, held and/or used by Borrower in Borrower's business or with Borrower's products and services, or in which Borrower in the future acquires any right, title or interest.

"Trademark Collateral" shall mean all of Borrower's right, title and interest (to the extent Borrower has any such right, title or interest) in and to all of the Trademarks, the Trademark Registrations, the Trademark Rights, and all additions, improvements and accessions to, substitutions for, replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing.

"Trademark Registrations" shall mean all past, present or future federal, state, local and foreign registrations of the Trademarks (and all renewals and extensions of such registrations), all past, present and future applications for any such registrations of the Trademarks (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of Borrower or Secured

Party, and to take any and all actions necessary or appropriate to maintain such registrations in effect and/or renew and extend such registrations.

"Trademark Rights" shall mean any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including but not limited to the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of Borrower or the Secured Party for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury.

"Use" of any Trademark shall include all uses of such Trademark by, for or in connection with Borrower or its business or for the direct or indirect benefit of Borrower or its business, including but not limited to all such uses by Borrower itself, by any of the affiliates of Borrower, or by any licensee or contractor of Borrower.

2. GRANT OF SECURITY INTEREST; COLLATERAL ASSIGNMENT.

2.1 Grant of Security Interest. As collateral security for the complete and timely payment, performance and satisfaction of all Obligations, Borrower hereby unconditionally grants to Secured Party, a continuing security interest in and first priority lien on the Trademark Collateral, and pledges, mortgages and hypothecates the Trademark Collateral to the Secured Party.

2.2 Supplemental to Loan Documents. Borrower expressly acknowledge to the Secured Party and agrees that Borrower has delivered the Loan Documents pursuant to which Borrower unconditionally granted to Secured Party a continuing security interest in and first priority lien on the Collateral (including the Trademark Collateral). In no event shall this Agreement, or the recordation of this Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Loan Documents, the security interest of Secured Party in the Collateral (including the Trademark Collateral) pursuant to the Loan Documents, the attachment and perfection of such security interest under the Code, or the present or future rights and interests of Secured Party in and to the Collateral under or in connection with the Loan Documents, this Agreement and/or the Code. Any and all rights and interests of Secured Party in and to the Trademark Collateral (and any and all obligations of Borrower with respect to the Trademark Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of Secured Party (and the obligations of Borrower) in, to or with respect to the Collateral (including the Trademark Collateral) provided in or arising under or in connection with the other Loan Documents.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER. Borrower represents and warrants to, and covenants and agrees with, Secured Party, as follows:

3.1 Title. Borrower shall take all actions necessary to defend its right, title and interests in and to the Trademarks and the Trademark Collateral against claims of any third parties.

3.2 Maintenance of Trademark Collateral. Borrower shall take such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as are necessary to maintain, protect, preserve, care properly for and enforce the Trademarks and the Trademark Registrations, Trademark Rights and to preserve Borrower's rights in the Trademarks.

3.3 Trademark Symbols and Notices; No Abandonment. Borrower has in the past used, and shall in the future use, the Trademarks with the statutory and other appropriate symbols, notices or legends of the registrations and ownership thereof consistent with past practice or as deemed necessary or appropriate by Borrower in its reasonable judgment. Borrower shall not abandon any of the Trademarks, Trademark Registrations or Trademark Rights, nor do any act nor omit to do any act if such act or omission is of a character that tends to cause or contribute to the abandonment of any Trademark, Trademark Registration or Trademark Right or loss of or adverse effect on any rights in any Trademark, Trademark Registration or Trademark Right. Prohibited acts of Borrower shall include but not be limited to "assignments in gross" of any Trademark or the license of any Trademark without both appropriate contractual use and quality control provisions and proper monitoring, supervision and enforcement by Borrower of the quality of the licensed goods or services. Borrower shall take all necessary and appropriate actions to insure that none of the Trademarks shall become generic or merely descriptive.

3.4 No Infringements. There is at present no infringement or unauthorized or improper use of the Trademarks or the Trademark Registrations or the Trademark Rights related thereto. In the event any such infringement or unauthorized or improper use by any third party has been reasonably established by Borrower, Borrower shall promptly notify Secured Party.

3.5 Filing for Perfection of Interest. Borrower acknowledges and agrees that Secured Party may cause this Agreement to be recorded with the PTO.

4. RIGHTS OF AND LIMITATIONS ON SECURED PARTY. It is expressly agreed by Borrower that Borrower shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it relating to the Trademark Collateral. Secured Party shall not have any obligation or liability under or in relation to the Trademark Collateral by reason of the execution and delivery of or arising out of this

Agreement and Secured Party's rights hereunder, or the grant of a security interest by Borrower to Secured Party of, or the receipt in accordance with this Agreement by Secured Party of, any payment relating to any Trademarks, nor shall Secured Party be required or obligated in any manner to perform or fulfill any of the obligations of Borrower relating to the Trademark Collateral or be liable to any party on account of Borrower's use of the Trademark Collateral.

5. REMEDIES UPON AN EVENT OF DEFAULT. Upon the occurrence of and during the continuation of an Event of Default:

(a) Secured Party may declare all Obligations secured hereby immediately due and payable and shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as now in effect in the State of New Hampshire or under other applicable law.

(b) Secured Party may notify any obligors with respect to the Trademark Collateral of Secured Party's security interest and that such obligors are to make payments directly to Secured Party. Secured Party may send this notice in Borrower's name or in Secured Party's name, and at Secured Party's request Borrower will join in Secured Party's notice, provide written confirmation of Secured Party's security interest and request that payment be sent to Secured Party. Secured Party may enforce this obligation by specific performance. Secured Party may collect all amounts due from such obligors. Upon and after notification by Secured Party to Borrower, Borrower shall hold any proceeds and collections of any of the Trademark Collateral in trust for Secured Party and shall not commingle such proceeds or collections with any other of Borrower's funds, and Borrower shall deliver all such proceeds to Secured Party immediately upon Borrower's receipt thereof in the identical form received and duly endorsed or assigned to Secured Party.

(c) Secured Party will give to Borrower reasonable notice of the time and place of any public sale of Trademark Collateral or of the time after which any private sale or other intended disposition thereof is to be made. Such requirement of reasonable notice shall be met if such notice is delivered to the address of Borrower set forth in this Agreement at least ten (10) days before the time of the proposed sale or disposition. Any such sale may take place from Borrower's location or such other location as Secured Party may designate. Borrower shall remain liable for any deficiency in payment of the Obligations after any such sale.

(d) No Obligation of Secured Party. Nothing herein shall be construed as obligating Secured Party to take any of the foregoing actions at any time.

6. POWER OF ATTORNEY. The provisions of this Section 6 shall be subject in all events to the terms and conditions of the Purchase Agreement.

6.1 Grant. Borrower hereby grants to Secured Party, and any officer or agent of Secured Party as Secured Party may designate in its sole discretion, a power of attorney, thereby constituting and appointing Secured Party (and Secured Party's designee) its true and lawful attorney-in-law and attorney-in-fact, effective upon the occurrence and during the continuation of an Event of Default, for the purpose of assigning, selling, licensing or otherwise transferring or disposing of all right, title and interest of Borrower in and to any of the Trademark Collateral in accordance with the terms hereof. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

6.2 Irrevocable. The foregoing power of attorney is coupled with an interest and is irrevocable until this Agreement shall terminate.

7. GENERAL PROVISIONS.

7.1 Specific Enforcement. Due to the unique nature of the Trademark Collateral, and in order to preserve its value, Borrower agrees that Borrower's agreements, duties and obligations under this Agreement shall be subject to specific enforcement and other appropriate equitable orders and remedies.

IN WITNESS WHEREOF, Borrower has caused this Agreement to be executed by its duly authorized officer as of the date first written above.

WITNESS:

TLJ Enterprises, Inc.

Patricia H. Reilly

By: John L. Thonet
John L. Thonet
Title: President

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

On this the 16th day of June, 1999, before me, Dodd S. Griffith, the undersigned officer, personally appeared John L. Thonet, who acknowledged himself to be the President of TLJ Enterprises, Inc., a corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

In witness whereof, I hereunto set my hand and official seal.

Dodd S. Griffith

Notary Public

My Commission Expires: 2-18-2003

Page 6

**SCHEDULE A TO
TRADEMARK SECURITY AGREEMENT**

REGISTERED AND PENDING TRADEMARKS

**Trademarks Registered by U.S. Patent
and Trademark Office**

<u>Registration No.</u>	<u>Registration Date</u>	<u>Mark</u>
2,106,290	10/21/1997	CYBERSTORAGE

Trademarks Not Registered

Mark

Cyberborg
Leapfrog
Cyberfibre
Cyfi

ADDENDUM TO TRADEMARK SECURITY AGREEMENT

ADDENDUM TO TRADEMARK SECURITY AGREEMENT (this "Addendum" and the "Trademark Security Agreement" respectively) dated as of September 16, 1999 made by CYBERSTORAGE SYSTEMS CORPORATION, a corporation organized and existing under the laws of the State of Massachusetts, with its principal office at 75 Pine Street Extension, Millyard Technical Park, Nashua, New Hampshire, 03060, which said corporation was known on the records of the Secretary of the Commonwealth of Massachusetts as TLJ ENTERPRISES, INC. until it filed Restated Articles of Organization with the Secretary of the Commonwealth of Massachusetts on August 9, 1999 ("Borrower"), in favor of Green Mountain Capital, L.P., a Vermont limited partnership having a place of business at RD 1, Box 1503, Waterbury, Vermont, 05676, and its successors, assigns, and other legal representatives (the "Secured Party").

All capitalized terms used in this Addendum shall have the same meaning as set forth in the Trademark Security Agreement unless otherwise indicated below.

This Addendum is being executed to evidence the following:

1. That on August 9, 1999, TLJ Enterprises, Inc. changed its corporate name to CyberStorage Systems Corporation, by filing Restated Articles of Organization with the Secretary of the Commonwealth of Massachusetts on August 9, 1999;
2. That, as a result, TLJ Enterprises, Inc. intends to file with the United States Patent and Trademark Office an assignment to Cyberstorage Systems Corporation of the Trademark Collateral listed on **Schedule A** of the Trademark Security Agreement, in order to reflect said corporate name change. Borrower represents and warrants that it has not filed such an assignment as of the date of this Addendum;
3. That, it is the express intent of Secured Party and Borrower that, on filing with the United States Patent and Trademark Office, the Trademark Security Agreement shall attach to and perfect a first priority security interest in favor of Secured Party in the Trademark Collateral, which perfected, first priority security interest shall continue and remain in full force and effect at all times both before and after any such assignment to reflect said corporate name change;
4. That, Secured Party has this date entered into a Loan and Security Agreement (the "Loan Agreement") with Borrower, pursuant to which Borrower has issued Secured Party a Subordinated Debenture in the amount of \$500,000 (the "Note"); and that Secured Party has this date disbursed to Borrower the full

\$500,000.00 proceeds of said Note, which sum is payable with interest in accordance with the terms of the Loan Agreement and the Note; and

5. That this Addendum is intended solely as a supplement and addendum to the Trademark Security Agreement, and shall not terminate, waive or otherwise modify any term of the Trademark Security Agreement, all of which shall remain in full force and effect as set forth therein.

IN WITNESS WHEREOF, Borrower has executed this Addendum to Trademark Security Agreement on this the 16th day of September, 1999.

BORROWER:

CyberStorage Systems Corporation
(f/k/a TLJ Enterprises, Inc.)

By: John L. Thonet
Name: John L. Thonet
Title: President, Treasurer and Clerk
Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

On this the 16th day of September, 1999, before me, Dodd S. Griffith, the undersigned officer, personally appeared John L. Thonet, who acknowledged himself to be the President of TLJ Enterprises, Inc., a corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

In witness whereof, I hereunto set my hand and official seal.

Dodd S. Griffith
Notary Public
My Commission Expires: 2-18-2003

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