

9/15/03

09-26-2003

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

RE



102559962

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): CrossGen Intellectual Property, LLC
Individual(s) Association
General Partnership Limited Partnership
Corporation-State
Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Mark Alessi
Name:
Internal Address:
Street Address: 17904 Spencer Road
City: Oldsmar State: FL Zip: 33556
Florida
Individual(s) citizenship
Association
General Partnership
Limited Partnership
Corporation-State
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

3. Nature of conveyance:
Assignment Merger
Security Agreement Change of Name
Other
Execution Date: 8/29/03

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) 76395297
Please see attached list
Additional number(s) attached Yes No

B. Trademark Registration No.(s)

5. Name and address of party to whom correspondence concerning document should be mailed: Mark Alessi
Name:
Internal Address:
09/26/2003 61011 00000009 76395297
40.00 OP
525.00 OP
c/o Holland & Knight LLP
Rod Anderson
Street Address:
P.O. Box 1288
City: Tampa State: FL Zip: 33601

6. Total number of applications and registrations involved: 22
7. Total fee (37 CFR 3.41) \$ 565.00
Enclosed
Authorized to be charged to deposit account
8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.
Name of Person Signing: NIEL BURKE
Signature: [Signature]
Date: 9/15/03

Total number of pages including cover sheet, attachments, and document: 18

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



09-08-2003

U.S. Patent & TMOfc/TM Mail Rcpt Dt. #66

TRADEMARK REEL: 002832 FRAME: 0030

Serial Number	Reg. Number	Word Mark	Class	Saegis/T&T/Both
		CROSSGENERATION		
75772886	2418910	COMICS	16	T&T
75772888	2418911	CROSSGEN COMICS	16	T&T
75772889	2418912	CROSSGEN	16	T&T
75772887	2422961	CROSSGENERATION	16	T&T
76059217	2486346	THE FIRST	16	T&T
75831379	2524075	The CrossGen "sigil"	16	T&T
76192385	2572171	SOJOURN	16	T&T
76135851	2580119	THE PATH	16	T&T
76154490	2580152	CRUX	16	T&T
76249972	2588066	MEGACON	41	T&T
75863745	2589173	SCION	16	T&T
75863744	2592309	CROSSGENESIS	16	T&T
75863746	2592310	SIGIL	16	T&T
76258158	2595936	NEGATION	16	T&T
76384923	2695296	SAURIANS	16	T&T
76419640	2711195	LADY DEATH	16	ASSIGNED TM
		CROSSGEN		
75863735	2724688	CHRONICLES	16	T&T
76326853	2733119	SIGIL WEAR	25	T&T
76395297	2733294	CHIMERA	16	T&T
76268200	2743667	RUSE	16	T&T
76396118	2745374	COMPENDIA Series	16	T&T
75983218	2747716	MERIDIAN	16	T&T

CROSSGEN INTELLECTUAL PROPERTY, LLC

SECURITY AGREEMENT FOR ALL ASSETS

THIS SECURITY AGREEMENT FOR ALL ASSETS is given as of August 29, 2003, by CrossGen Intellectual Property, LLC, a Florida limited liability company ("Debtor"), whose principal address is 4023 Tampa Road, Suite 2400, Oldsmar, Florida 34677, in favor of Mark Alessi ("Secured Party"), whose address is 17904 Spencer Road, Oldsmar, Florida 33556.

1. **Definitions.** For the purposes hereof, the following terms shall have the following meanings:

(a) "Accounts" means all accounts, accounts receivable, receivables, (including health-care-insurance receivables) amounts due or to become due under contracts (whether earned or to be earned by further performance), all rights to the payment for goods or services sold or leased, all rights to the payment or receipt of money or other form of consideration of any kind, "accounts" as that term is defined in the Uniform Commercial Code, guarantees, and the rights to receive payment thereunder, tax refunds, insurance proceeds, contract rights, notes, drafts, chattel paper, instruments, documents, bills, acceptances, choses in action, and all other debts, obligations, and liabilities in whatever form now or hereafter owing to Debtor, now existing or hereafter acquired or arising, or in which Debtor has or hereafter acquires any rights, and all cash and non-cash proceeds of the foregoing (including all returned and repossessed goods and rights of stoppage in transit and of recovering possession by proceedings including replevin and reclamation), together with all customer lists, books and records, ledger and account cards, computer tapes, disks, printouts and records, whether now existing or hereafter created, relating to Accounts.

(b) "Account Debtor" means the person obligated to pay an account, instrument, document, chattel paper, general intangible, or similar obligation, whether defined hereunder as an Account, General Intangible, or otherwise.

(c) "Borrower" means CrossGen Entertainment, Inc.

(d) "Collateral" has the meaning contained in Section 2 hereof.

(e) "Equipment" means all goods of Debtor other than Inventory, including, without limitation, all equipment, machinery, furniture, furnishings, fixtures, and motor vehicles, whether now owned or hereafter acquired, or in which Debtor has or hereafter acquires any rights, wherever located, including without limitation supplies customarily classified as equipment, trade fixtures, and all other tangible personal property utilized in the conduct of Debtor's business (regardless of

whether the same is subject to Article 9 of the Uniform Commercial Code or whether the same constitutes a "fixture"), parts, supplies, apparatus, appliances, tools, patterns, molds, dies, blueprints, fittings, and accessories related thereto, all replacements or substitutions therefor, and improvements, accessories, and appurtenances thereto, and all cash and non-cash proceeds of the foregoing (including insurance proceeds).

(f) "General Intangibles" means all "general intangibles" including payment intangibles as that term is defined in the Uniform Commercial Code, regardless of whether also included in other types of Collateral or constituting proceeds of other Collateral, whether now owned or hereafter acquired or arising, or in which Debtor now has or hereafter acquires any rights, including without limitation all causes of action, corporate or business records, goodwill, licenses, permits, franchises, customer and subscriber lists, computer programs, partnership interests, claims under guaranties, tax refund claims, rights and claims against carriers and shippers, leases, claims under insurance policies, rights to indemnification, and all other intangible personal property of every kind and nature other than Accounts.

(g) "Instrument" means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment.

(h) "Intellectual Property" means: (i) the entire right, title and interest of such Debtor in and to all patent applications and all patents, including but not limited to those listed in Exhibit A attached hereto (as the same may be amended from time to time), and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof, including, without limitation, the right to sue for past, present and future infringements and rights corresponding thereto throughout the world (all of the foregoing being herein collectively referred to as the "Patents"); (ii) all trademarks, trademark registrations, tradenames and trademark applications, including, without limitation, the trademarks and applications listed for such Debtor on Exhibit B attached hereto and made a part hereof (as the same may be amended from time to time), and (1) all renewals thereof, (2) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (3) the right to sue for past, present and future infringements thereof, and (4) all rights corresponding thereto throughout the world and the goodwill of such Debtor's business connected with the symbolized by the Trademarks (all of the foregoing trademarks, trademark registrations, tradenames and applications, together with the items described in clauses (1)-(4), are hereinafter collectively referred to as the "Trademarks"); and (iii) the entire right, title and interest of such Debtor in and to all copyrights, including but not limited to those listed in Exhibit C attached hereto, including, without limitation,

all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world, and all continuations, renewals and extensions thereof (herein collectively referred to, together with all copyrights hereinafter acquired by Debtor, as the "Copyrights").

(i) "Inventory" means any and all goods held for sale or lease or furnished under contract for service, or being processed for sale or lease or furnished under contract for service in Debtor's business and all "inventory" as that term is defined in the Uniform Commercial Code, whether now owned or hereafter acquired, or in which Debtor has or hereafter acquires any rights; wherever located, and whether or not in Debtor's possession or held by others for Debtor's account, including without limitation parts, products, wares, materials, piece goods, raw materials, work in process, finished merchandise, and supplies, goods, incidentals, office supplies, packaging materials, and items of every nature and description which might be used or consumed in the manufacture, packing, shipping, advertising, selling, leasing, or furnishing of finished goods, or otherwise used or consumed in Debtor's business, all finished goods and other tangible property now owned or hereafter acquired (including acquisitions by return, repossession, or otherwise) and held for sale or lease or furnished under contracts for service or used or consumed in Debtor's business, supplies customarily classified as inventory, all returned or repossessed goods, all products of and accessions to Inventory and all documents (including documents of title under the Code) covering Inventory, and all cash and non-cash proceeds of the foregoing (including insurance proceeds).

(j) "Investment Property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(k) "Liability" and "Liabilities" have the meaning specified in Section 2 hereof.

(l) To the extent any terms used herein are defined in the Uniform Commercial Code and are not otherwise defined herein the terms used herein shall have the meanings contained in the Uniform Commercial Code.

2. Security Interest. For value received, and in consideration of financial accommodations made by Secured Party, Debtor hereby pledges, assigns, and grants to Secured Party a security interest in, all Accounts (including but not limited to accounts, chattel paper, instruments, and documents), Inventory, Equipment, and General Intangibles, Intellectual Property, Investment Property, and Instruments of Debtor, whether now owned or existing or hereafter acquired or arising, wherever located, and all cash and non-cash proceeds and products thereof (collectively or individually, as the context requires, the "Collateral") to secure the Liabilities.

3. Liabilities Secured. The term "Liability" or "Liabilities" as used herein shall include, without limitation, all liabilities and obligations to Secured Party of Borrower including without limitation the \$120,000 promissory note from Borrower to Secured Party dated today, and all future advances or additional monies lent by Secured party to Borrower, together with all obligations of Debtor hereunder, however and whenever incurred or evidenced, whether primary, secondary, direct, indirect, absolute, contingent, sole, joint, or several, arising prior to the date hereof or in connection herewith, or which may be hereafter contracted or acquired, or incurred directly or indirectly in respect thereof, and all extensions or renewals thereof and all sums payable under or by virtue thereof including, without limitation, all amounts of principal and interest and all expenses incurred or paid by Secured Party in enforcing the Liabilities or this Agreement or preserving any right of Secured Party thereunder or hereunder (including, without limitation, obligations that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. §362(a), including interest, fees, and other charges whether or not a claim is allowed for such obligations in any such bankruptcy proceedings, including costs of collection and attorneys' fees as more specifically described in the obligations and herein. If Borrower or Debtor is a partnership or corporation, the term "Liabilities" as used herein shall include all liabilities of any successor entity or entities of such parties to Secured Party.

4. Representations and Warranties. Debtor represents and warrants, and as long as any Liabilities remain outstanding shall be deemed to continuously represent and warrant, that:

(a) Debtor is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Florida.

(b) Debtor's exact legal name is as set forth in the first paragraph of this Agreement.

(c) Debtor has the power, authority, and legal right to execute and deliver this Agreement, and to perform its obligations hereunder, and has taken all action necessary to authorize the execution, delivery, and performance of this Agreement and to authorize the transactions contemplated hereby.

(d) The execution, delivery, and performance by Debtor of this Agreement will not (i) contravene, conflict with, result in the breach of, or constitute a violation of or default under organizational documents of Debtor, any applicable law, rule, regulation, judgment, order, writ, injunction, or decree of any court or governmental authority, or any agreement or instrument to which Debtor is a party or by which Debtor or its property may be bound or affected, or (ii) result in the creation of any lien, charge, or encumbrance upon any property or assets of Debtor pursuant to any of the foregoing, except the liens created by this Agreement.

(e) This Agreement constitutes a legal, valid, and binding agreement enforceable against the Debtor and the Collateral in accordance with its terms and, without limiting the foregoing, this Agreement grants Secured Party a valid, perfected security interest in the Collateral.

(f) No consent, license, or authorization of, or filing with, or notice to, any person or entity (including, without limitation, any governmental authority), is necessary or required in connection with the execution, delivery, performance, validity, or enforceability of this Agreement and the transactions contemplated hereunder, except as already obtained (any such consents, licenses, authorizations, filings or notices remaining in full force and effect).

(g) Debtor is the owner of the Collateral free and clear of all liens, encumbrances, security interests, and adverse claims whatsoever, except in respect of the security interest granted herein or except as permitted by Secured Party in writing, and no financing statement or other lien instrument covering all or any part of the Collateral is on file or of record in any public office, except as may be filed in connection herewith or in connection with any liens permitted by Secured Party in writing.

(h) Debtor has not merged, changed its name, or done business under a fictitious name during the past five years.

(i) The chief executive office, the principal place of business, and the office where the books and records of Debtor (including the books and records relating to the Collateral) are kept is at the location described in the beginning paragraph hereof, and there are no other offices of Debtor.

(j) The Collateral, all books and records concerning or evidencing the Collateral, and all original instruments, documents, or chattel paper included in the Collateral, are located only at the place or places described in the foregoing clause.

(k) If Debtor is not the primary obligor on the Liabilities secured hereby, Debtor acknowledges and warrants that Debtor has executed this Agreement in order to induce the Secured Party to extend the financing secured hereby, Debtor has received or will receive some economic or other benefit from the transaction(s) which the Collateral secures or will secure, and Debtor's grant of a security interest in the Collateral to the Secured Party hereunder is supported by adequate and sufficient legal consideration to make Debtor's obligations hereunder legally enforceable.

(l) With respect to the Intellectual Property:

(i) Exhibits, A, B and C attached hereto list all registered and unregistered trademarks, service marks, trade names, copyrights, licenses, and patents of Debtor.

(ii) Each item of Intellectual Property is valid and subsisting, and has not been ruled to be invalid or unenforceable.

(iii) Debtor owns and has the right to use, and holds free and clear from all liens and burdensome restrictions or conflicts with the rights of others the Intellectual Property, and is in full compliance with the terms and conditions thereof and any agreements relating thereto.

(iv) All appropriate filings have been or are concurrently being made with the United States Patent and Trademark Office and the United States Copyright Office, to perfect the security interest granted herein.

5. Covenants. Debtor hereby agrees that:

(a) Debtor will not, without the prior written consent of Secured Party, borrow from anyone except Secured Party on the security of the Collateral, or otherwise permit any liens, encumbrances, security interests, or adverse claims against the Collateral, and will not permit the Collateral to be levied upon under any legal process. At its option, Secured Party may pay or settle any such liens, encumbrances, security interests, claims, or levies for the account of Debtor and charge Debtor for such amounts, which amount shall be payable upon demand, and if unpaid, shall constitute a Liability secured hereby.

(b) Debtor will defend the Collateral against the claims and demands of all persons at any time claiming the same or any interest therein.

(c) Debtor will not, without the prior written consent of Secured Party, sell, transfer, assign, deliver, trade, lease, license, grant any other security interest in, rent, secrete, or otherwise dispose of all or any part of the Collateral (other than Accounts and Inventory, which may be sold only in the ordinary course of business), permit anything to be done that may impair the value of the Collateral, or use the Collateral or permit it to be used in violation of any statute, ordinance, or other law or regulation.

(d) Debtor will promptly pay and discharge when due all taxes, levies, assessments, license fees, and other charges on the Collateral, or on account of or in connection with this Agreement, any Liability, or any note or other writing evidencing the Collateral, including documentary, intangible, or other taxes. If Debtor at any time fails to pay such taxes, levies, assessments, license fees, or other charges, Secured Party may pay the same for the account of Debtor and charge Debtor for such amount, which amount shall be payable upon demand, and if unpaid, shall constitute a Liability secured hereby.

(e) Debtor will give Secured Party at least thirty (30) days prior written notice of any merger or of any change in name, jurisdiction of incorporation or organization, location of chief executive office, location of the office where the books and records are kept, or location of the Collateral.

(f) Debtor will, at Secured Party's request, deliver to Secured Party any and all Collateral comprised of instruments, documents, or chattel paper representing an Account, or Collateral not necessary for the operation of Debtor's business.

(g) Debtor authorizes Secured Party to file, in jurisdictions where this authorization will be given effect, a financing statement (and any amendments, continuation statements or termination statements or any other documents with respect thereto) describing Collateral as is necessary for perfection in such jurisdictions; and from time to time at the request of Secured Party, will execute such other documents (and pay the cost of filing or recording all of the foregoing in all public offices deemed necessary or desirable by Secured Party), will deposit with Secured Party any certificates of title issued or issuable with respect to the Collateral with a notation thereon of the security interest hereunder (in addition to the filing of a financing statement if made by Secured Party), and will do such other acts and things, all as Secured Party may request, to establish and maintain a valid perfected security interest in the Collateral (free of all other liens and claims whatsoever, except as may be permitted hereunder) to secure the payment of the Liabilities and to enable Secured Party to enforce its rights and remedies hereunder with respect to the Collateral, or otherwise to fully effectuate the provisions of this Agreement. At Secured Party's request, Debtor will appear in and defend any action or proceeding that may affect Debtor's title to or Secured Party's security interest in all or any part of the Collateral.

(h) Debtor will keep and maintain the Collateral in good operating condition and repair, so that the value and operating efficiency thereof shall at all times be maintained and preserved, and will give prompt written notice to Secured Party of any loss or damage to the Collateral.

(i) With respect to Intellectual Property:

(i) Debtor will notify Secured Party immediately (1) if any application or registration relating to Intellectual Property may become abandoned or dedicated, or (2) of any adverse determination or development (including, without limitation, the institution of or any adverse determination or development in any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, or any court) regarding Debtor's ownership of any Intellectual Property or its right to register or to keep and maintain such Intellectual Property.

(ii) If Debtor directly or indirectly files an application for the registration of any Intellectual Property with the United States Patent and Trademark Office or the United States Copyright Office, Debtor will promptly inform Secured Party thereof, and, at its own expense, execute and deliver any and all agreements, instruments, and documents as Secured Party may request to evidence Secured Party's security interest in such Intellectual Property and other related General Intangibles, including, without limitation, goodwill relating thereto or represented thereby.

(iii) Debtor will take all necessary actions, including, without limitation, in any proceeding before the United State Patent and Trademark Office or the United States Copyright Office, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of Intellectual Property, including, without limitation, filing of applications for renewal, affidavits of use, affidavits of incontestability, and opposition, interference, and cancellation proceedings.

(iv) In the event that any of the Intellectual Property is infringed, misappropriated, or diluted by a third party, Debtor will notify Secured Party promptly after it learns thereof and will promptly sue for infringement, misappropriation, or dilution and for recovery of any and all damages for such infringement, misappropriation, or dilution, and will take such other actions as are appropriate under the circumstances to protect such Intellectual Property.

6. Events of Default. The following shall constitute events of default ("Events of Default") hereunder:

(a) Any Liability is not paid when due (and such nonpayment continues beyond the expiration of any applicable grace or cure period).

(b) Any representation or warranty made by Debtor under this Agreement or any report, certificate, financial statement, or other information provided by Debtor or any other person to Secured Party in connection herewith is false or misleading in any material respect when made or deemed made.

(c) Debtor fails to fully and promptly perform when due any agreement or covenant under this Agreement (and such failure continues beyond the expiration of any grace or cure period established herein, or, if none, established under any of the Liabilities for a nonmonetary performance default (or the smallest such period, if more than one)).

(d) Any other default or event of default occurs under any of the Liabilities, or any loan document evidencing, securing, guaranteeing, or otherwise relating to any of the Liabilities or this Agreement (and such default or event of default continues beyond the expiration of any applicable grace or cure period).

(e) The loss, theft, damage, or destruction of any material portion of the Collateral for which there is either no insurance coverage or for which, in the opinion of Secured Party, there is insufficient insurance coverage.

(f) The making of any levy, seizure, or attachment upon any of the Collateral.

7. Rights and Remedies. Secured Party shall have, in addition to the rights and remedies contained in this Agreement and any other loan documents now or hereafter evidencing, securing, or otherwise relating to any of the Liabilities, all of the rights and remedies of a secured party under the Uniform Commercial Code and otherwise and, to the extent applicable, of a creditor at law or in equity. Secured Party may, at its option, exercise any one or more of such rights and remedies individually, partially, or in any combination from time to time, including, to the extent applicable, before an Event of Default. No right, power, or remedy conferred upon Secured Party hereby shall be exclusive of any other right, power, or remedy referred to therein or now or hereafter available at law or in equity. Without limiting the generality of the foregoing:

(a) During the life of this Agreement (except as may be otherwise provided in this Agreement), Secured Party, and any officer or agent of Secured Party, may, unless otherwise provided herein, at any time and from time to time exercise any of the following rights, and in connection therewith, is hereby constituted and appointed as the true and lawful attorney-in-fact of Debtor with powers to do so:

(i) Enforce Debtor's rights against Account Debtors and notify any and all Account Debtors or other parties against which Debtor has a claim under the Collateral that such Collateral has been assigned by Debtor and that Secured Party has a security interest therein and, if desired by Secured Party, that all payments should be made to Secured Party;

(ii) Receive and endorse the name of Debtor upon any instruments of payment (including payments made under any policy of insurance) that may come into the possession of Secured Party;

(iii) Sign or endorse the name of Debtor upon any invoice, freight or express bill, bill of lading, storage or warehouse receipt, or draft against Account Debtors or other obligors relating to Collateral, and with regard to Accounts, to sign or endorse the name of Debtor on any assignment, verification, schedule, or notice (to Account Debtors or others) in connection therewith, or any instrument or document relating to the Collateral or to the rights of Debtor therein, or any financing statement or continuation statement or amendment thereto relating to the Collateral;

(iv) Notify post office authorities to change the address for delivery of mail to Debtor to an address designated by Secured Party and to receive, open, and dispose of all mail addressed to Debtor;

(v) Send requests for verification of Account Debtors or other obligors against which Debtor has a claim under the Collateral;

(vi) With respect to the Intellectual Property, to execute and record a copy or an excerpt hereof, or an assignment, security interest, or mortgage of the Intellectual Property in the United States Patent and Trademark Office or the United States Copyright Office, and to take all other steps as are necessary in the opinion of Secured Party under federal or state law, to perfect the security interests granted herein;

(vii) Sell, assign, demand, sue for, collect, compromise, or settle payment of all or any part of the Collateral in the name of Debtor or in its own name, or make any other disposition of the Collateral, or any part thereof, which disposition may be for cash, credit, or any combination thereof, or make exchanges, substitutions, surrenders, or discharges of any of the Collateral;

(viii) Purchase all or any part of the Collateral at public or, if permitted by law, private sale, and in lieu of actual payment of such purchase price, to set off the amount of such price against the Liabilities; and

(ix) Do all things that Secured Party may reasonably deem necessary or advisable to accomplish the purposes of this Agreement.

Granting to Secured Party, as the attorney-in-fact of Debtor, full power of substitution and full power to do any and all things necessary to be done in and about the premises as fully and effectually as Debtor might or could do but for this appointment, and hereby ratifying all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof, neither Secured Party nor its agents shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law in its capacity as such attorney-in-fact. This power of attorney is coupled with an interest and shall be irrevocable until the Liabilities have been paid in full and all commitments to lend have been terminated.

(b) Upon the occurrence of an Event of Default, all commitments of Secured Party to make advances shall terminate; Secured Party may declare any or all of the Liabilities, whether direct or indirect, contingent or certain, to be accelerated and due and payable at once, whereupon any such Liability, together with interest thereon, shall forthwith become due and payable, all without presentment, demand, protest, or other notice of any kind from Secured Party, all of which are hereby expressly waived; and Secured Party may proceed to do all other things provided by law, equity, or contract to enforce its rights under the Liabilities and under this Agreement and to collect all amounts owing to Secured Party.

(c) Upon the occurrence of an Event of Default, Secured Party may direct the disposition of the Collateral and any other collateral for the Liabilities, and the enforcement of any guaranties of the Liabilities, in such order or manner as Secured Party may in its sole discretion determine.

(d) Upon the occurrence of an Event of Default, Secured Party shall have the right to enter and remain upon the premises of Debtor, without any obligation to pay rent to Debtor or others, or any other place or places where any of the Collateral is located or kept, and: (i) remove Collateral therefrom to the premises of Secured Party or any agent of Secured Party, for such time as Secured Party may desire, in order to maintain, sell, collect, and liquidate the Collateral; or (ii) use such premises, together with materials, supplies, books, and records of Debtor, to maintain possession of and the condition of the Collateral, and to prepare the Collateral for selling, liquidating, or collecting.

(e) Upon the occurrence of an Event of Default, Secured Party shall have the right, but shall not be obligated, to bring suit in its own name to protect or enforce the Intellectual Property, and, if Secured Party commences such suit, Debtor will, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in connection therewith.

(f) Upon the occurrence of an Event of Default, Debtor shall promptly (and in any event within three (3) Business Days after request) deliver to Secured Party an assignment, security interest, or mortgage of the Intellectual Property, duly executed by Debtor, in form and substance reasonably satisfactory to Secured Party. Debtor agrees that Secured Party may duly execute such an assignment, security interest, or mortgage as Debtor's attorney-in-fact pursuant to the authority granted herein.

(g) Upon the occurrence of an Event of Default, Secured Party may require Debtor, at Debtor's expense, to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties.

(h) Any notice of sale, disposition, other intended action, or otherwise required to be given to Debtor under law or by this Agreement, when given at least five (5) days prior to any action Secured Party proposes to take, shall constitute reasonable notice to Debtor of any such action.

(i) The net proceeds realized by Secured Party upon a sale or other disposition of the Collateral, or any part thereof, after deduction of the expenses of retaking, holding, preparing for sale, selling or the like, and reasonable attorneys' fees and other expenses incurred by Secured Party, shall be applied to payment of (or held as a reserve against) the Liabilities, whether or not then due, and in such order of application as Secured Party may from time to time elect, notwithstanding

the existence of any other security interests in the Collateral. Secured Party shall account to Debtor for any surplus realized upon such sale or other disposition and Debtor or other Borrower shall remain liable for any deficiency. The commencement of any action, legal or equitable, shall not affect the security interest of Secured Party in the Collateral until the Liabilities hereunder or any judgment therefor are fully paid. If Secured Party sells any of the Collateral upon credit, Debtor will be credited only with payments actually made by the purchaser, received by Secured Party and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor shall be credited with the proceeds of the sale.

(j) Secured Party has no obligation to cleanup or otherwise prepare the Collateral for sale. Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

(k) Debtor waives any right it may have to require Secured Party to pursue any third person for any of the Liabilities.

8. Costs and Expenses. Debtor agrees to pay or reimburse Secured Party for all of its costs and expenses incurred in connection with the perfection of the security interest granted herein, and the administration, supervision, collection, or enforcement of or preservation of any rights under, this Agreement, including, without limitation, the fees and disbursements of counsel for Secured Party, including attorneys' fees out of court, in trial, on appeal, in bankruptcy proceedings, or otherwise. Any such amount, if unpaid, shall constitute a Liability secured hereby.

9. Notices. Unless otherwise expressly agreed herein, all notices, requests, and demands to or upon the parties to this Agreement shall be deemed to have been given or made when a record of such has been delivered by hand or by courier service, when provided to a nationally recognized overnight delivery service for overnight delivery, when transmitted to a receiving telecopier, or three days after deposit in the mail, postage prepaid by registered or certified mail, return receipt requested, addressed as stated in the beginning of this Agreement or to such other address as may be hereafter designated in writing by one party to the other.

10. Miscellaneous.

(a) Secured Party shall have no duty with respect to the collection or protection of the Collateral or the proceeds of it, nor with respect to the preservation of any related rights, beyond the use of reasonable care in the custody and preservation of the Collateral in the possession of Secured Party. Debtor agrees to take all steps necessary to preserve rights against prior parties with respect to

any of Debtor's property in the possession of Secured Party. Without limiting the generality of the foregoing, Debtor releases Secured Party from all claims for loss or damage caused by any act or omission on the part of Secured Party, its officers, agents and employees, except willful misconduct. Debtor waives notice of dishonor and protest of any instrument or other commercial paper at any time held by Secured Party on which Debtor is in any way liable, notice of nonpayment of any and all Accounts, and except where required hereby or by law, notice of any action taken by Secured Party, and hereby ratifies and confirms Secured Party's actions.

(b) Upon Debtor's failure to perform any agreements hereunder Secured Party may, but shall not be obligated to, perform any of such agreements, at Debtor's expense.

(c) Secured Party assumes no liability or responsibility for correctness, genuineness, or validity of any instruments, documents, or chattel paper which may be released or endorsed to Debtor by Secured Party, all of which shall automatically be deemed to be without recourse to Secured Party, nor for the existence, quantity, quality, condition, value, or delivery of any goods represented thereby, and Debtor hereby indemnifies and agrees to hold Secured Party harmless with respect to any claims or liabilities arising in connection therewith.

(d) This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida, excluding those laws relating to the resolution of conflicts between laws of different jurisdictions.

(e) In any litigation in connection with or to enforce this Agreement, Debtor irrevocably consents to and confers personal jurisdiction on the courts of the State of Florida or the United States courts located within the State of Florida, expressly waives any objections as to venue in any of such courts, and agrees that service of process may be made on Debtor by mailing a copy of the summons and complaint by registered or certified mail, return receipt requested, to its address set forth herein (or otherwise expressly provided in writing). Nothing contained herein shall, however, prevent Secured Party from bringing any action or exercising any rights within any other state or jurisdiction or from obtaining personal jurisdiction by any other means available by applicable law.

(f) In the event that any one or more of the provisions of this Agreement is determined to be invalid, illegal, or unenforceable in any respect as to one or more of the parties, all remaining provisions nevertheless shall remain effective and binding on the parties thereto and the validity, legality, and enforceability thereof shall not be affected or impaired thereby. If any such provision is held to be illegal, invalid, or unenforceable, there will be deemed added in lieu thereof a provision as similar in terms to such provision as is possible, that is legal, valid, and enforceable. To the extent permitted by applicable law, Debtor

hereby waives any law that renders any such provision invalid, illegal, or unenforceable in any respect.

(g) The singular shall include the plural, the plural shall include the singular, and any gender shall be applicable to all genders when the context permits or implies. If more than one party constitutes Debtor, their obligations under this Agreement shall be joint and several and the term "Debtor" shall mean all such parties and any one or more of them. If more than one party constitutes Borrower, the term "Borrower" shall mean all such parties and any one or more of them.

(h) Any party executing this Agreement shall be bound by the terms hereby without regard to execution by any other party and the failure of any party to execute this Agreement shall not release or otherwise affect the obligations of the party or parties who do sign this Agreement.

(i) No action which Secured Party, or Borrower with the consent of Secured Party, may take or refrain from taking with respect to the Liabilities, any note or notes representing the same, any collateral therefor, or any agreement or agreements (including guaranties), in connection therewith, shall affect this Agreement or the obligations of Debtor hereunder.

(j) This Agreement may be signed in original counterparts and by facsimile transmission of signed counterparts, each of which shall be deemed an original, in any number, no one of which need contain all of the signatures of the parties. As many of such counterparts as shall together contain all of the signatures of the parties shall be deemed to constitute one and the same instrument.

(k) No delay or omission by Secured Party in exercising any right or remedy under this Agreement or otherwise afforded by law or equity shall operate as a waiver of that right or remedy or of any other right or remedy and no single or partial exercise of any right or remedy shall preclude any other or further exercise of that or any other right or remedy.

(l) All rights and remedies of Secured Party hereunder and under any other loan documents are cumulative, and are not exclusive of any rights or remedies provided by law or in equity, and may be pursued singularly, successively, or together, and may be exercised as often as the occasion therefor shall arise. The warranties, representations, covenants, and agreements made herein and therein shall be cumulative, except in the case of irreconcilable inconsistency, in which case the provisions of the credit agreement, or if none, the promissory note or notes secured hereby, shall control.

(m) This Agreement may not be modified or amended nor shall any provision of it be waived except by a written instrument signed by the party against whom such action is to be enforced.

(n) The headings preceding the text of sections of this Agreement have been included solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, interpretation, or effect.

(o) Time is of the essence in the performance of this Agreement and the Liabilities.

(p) This Agreement shall be binding upon and inure to the benefit of Secured Party, its successors and assigns, and shall be binding upon Debtor and its respective heirs, legal representatives, successors, and assigns and shall bind all persons who become bound as a Debtor to this Agreement; provided, however, that no rights of Debtor hereunder shall be assigned without the prior written consent of Secured Party.

(q) Debtor agrees to execute any further documents and to take any further actions reasonably requested by Secured Party to evidence or perfect the security interest granted herein, to maintain the first priority of the security interests, or to effectuate the rights granted to Secured Party herein.

11. JURY TRIAL WAIVER. DEBTOR AND SECURED PARTY (BY ITS ACCEPTANCE HEREOF) HEREBY KNOWINGLY, IRREVOCABLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS AGREEMENT, THE LIABILITIES, OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THIS AGREEMENT OR THE LIABILITIES, OR ARISING OUT OF, UNDER, OR IN CONNECTION THEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER ORAL OR WRITTEN), OR ACTION OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR SECURED PARTY TO ENTER INTO THE TRANSACTIONS EVIDENCED HEREBY.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first written above.

WITNESSES:

[Handwritten signature]

[Handwritten signature]

CrossGen Intellectual Property, LLC,
a Florida limited liability company

By: *[Handwritten signature]*

Name: *[Handwritten name]*

Title: *[Handwritten title]*

[Handwritten signature] (SEAL)

TPA1 #1311028 v1