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02-04-1999



U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

To the Honorable Commissioner of Patents

100957848

and original document or copy thereof.

1. Name of conveying party(ies):

~~Axxess Technologies, Inc.~~

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

3. Nature of conveyance:

- ☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Other \_\_\_\_\_

Execution Date: October 30, 1998

2. Name and address of receiving party(ies):

Name: Wells Fargo Bank, N.A.

Internal Address: 25th Floor

Street Address: 100 West Washington St.

City: Phoenix State: Arizona ZIP: 85003

Additional name(s) and address(es) attached? ☐ Yes ☒ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: N/A

A. Patent Application No.(s)

SEE ATTACHED - SCHEDULE A

B. Patent No.(s)

SEE ATTACHED - SCHEDULE A

Additional numbers attached? ☒ Yes ☐ No

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

Name: SNELL & WILMER L.L.P.

Internal Address: Attn: Daniel J. Noblitt

Street Address: One Arizona Center

400 East Van Buren

City: Phoenix State: AZ ZIP: 85004-0001

6. Total number of applications and patents involved:

20

7. Total fee (37 C.F.R. §3.41) ..... \$ 800.00

- ☒ Enclosed - check no. S&W 25682  
☒ **Deficiency only** authorized to be charged to deposit account

8. Deposit account number:

19-2814

(Attach duplicate copy of this page if paying by deposit account)

02/03/1999 SMURS 00000035 5443339

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800.00 DP

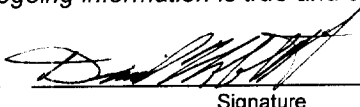
DO NOT USE THIS SPACE

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.*

Daniel J. Noblitt, Reg. No. 35,969

Name of Person Signing

  
Signature

January 28, 1999

Date

SCHEDULE A  
to  
Amended and Restated  
Patent Collateral Assignment and Security Agreement  
between  
AXXESS TECHNOLOGIES, INC.  
a Delaware corporation, as Assignor  
and  
WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Agent

| <b>Title</b>  | <b>Patent No.</b>         | <b>Code</b>                      |
|---|---------------------------|----------------------------------|
| Method and Apparatus for Aligning and Cutting Single-Sided and Double Sided Keys                          | 5,443,339<br>(SN 425,731) | Axxess 2000-KCM                  |
| Method and Apparatus for Duplicating Keys Using Tip-referenced Alignment Between Key Blank and Master Key | 5,314,274                 | Slope Shoulder                   |
| Key Cutting Machine with Code Selectable Key Duplicating System   | 5,271,698                 | Code Cutter                      |
| Key Identifier Method and Apparatus   | 5,351,409                 | Key Identifier                   |
| Universal Key Blank and Key Duplication Method  | 5,167,171                 | Universal Key                    |
| Key Storage Container   | 5,308,360                 | Key Storage Container            |
| Key Storage Container   | Des. 348,390              | Key Storage Container-<br>design |
| Key Storage Tag   | 5,311,758                 | Key Storage Tag                  |
| Method and Apparatus for Duplicating Keys Using Tip-Referenced Alignment Between Key Blank and Master Key | 5,607,267                 | KCM Continuation                 |
| Key Cutting Machine With Key Tracing and Electronic Code Cutting Duplication Modes                        | 5,676,504                 | EKCM                             |
| Key Identifier Method and Apparatus   | 5,617,323                 | EKID                             |
| Plastic Card/Key Combination and Hinge Structure  | 4,677,835                 | Hinge                            |
| Key and Retainer Card Combination   | RE 32,914                 | Card Combination                 |

| <b>Title</b>   | <b>Patent No.</b> | <b>Code</b>                       |
|--|-------------------|-----------------------------------|
| Flat Plastic Key With Rigid Torque Transfer Insert   | 5,029,459         | RSK-Insert                        |
| Flat Plastic Key With Shortened Key Alignment Groove   | 5,201,203         | Shortened Groove                  |
| Flat Plastic Key with Rigid Torque Transfer Insert   | SN 08/046,217     | Stepped Blade                     |
| Combination Key and Key Holder   | 4,941,335         | Snap-In/Snap-Out<br>(Bobby Allen) |
| Key and Retainer Card Combination  | 4,637,236         |                                   |
| Disposable Container for Storing and Dispensing a Stack of Identical Card-Mounted Key Blanks | D348,393          |                                   |
| Key Positioning Fixture for a Key Cutting Machine  | 5,556,240         |                                   |

AMENDED AND RESTATED  
PATENT AND TRADEMARK COLLATERAL  
ASSIGNMENT AND SECURITY AGREEMENT

THIS AMENDED AND RESTATED PATENT AND TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (the "Agreement") is made and entered into as of October 30, 1998, by AXXESS TECHNOLOGIES, INC., a Delaware corporation ("Assignor"), having a mailing address at 9185 South Farmer Avenue, Tempe, Arizona 85284, to WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent, for the Lenders from time to time parties to the Credit Agreement with a mailing address at 100 West Washington Street, 25th Floor, Phoenix, Arizona 85003, Attention: Jeffrey D. Lowe, Vice President/ Relationship Manager.

RECITALS:

A. This Agreement amends and restates that certain Patent and Trademark Collateral Assignment and Security Agreement by and between Assignor in favor of Agent dated August 22, 1997.

B. Assignor has executed and delivered to Lenders those certain Revolver/Term Notes in the aggregate principal amount of Fifty-Five Million Dollars (\$55,000,000) (the "Notes"), pursuant to that certain Amended and Restated Credit Agreement of even date herewith among Assignor, Agent and Lenders (as it may be amended, modified, restated, extended and/or renewed from time to time, the "Loan Agreement"). All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Loan Agreement.

C. In order to induce Lender to execute and deliver the Loan Agreement and make the loan evidenced by the Notes, Assignor has agreed to assign to Agent on behalf of Lenders certain patent rights upon the terms and subject to the conditions of this Agreement.

D. Pursuant to the Loan Agreement, Lender shall have the right to foreclose on, and exercise other rights with respect to the patent rights and trademark rights in the event of the occurrence and continuance of an Event of Default under the Loan Agreement.

NOW, THEREFORE, in consideration of the promises set forth herein, Assignor hereby agrees with Lender as follows:

1. Grant.

(a) For Value Received, Assignor hereby assigns to Lender as security for the Obligations (hereinafter defined), (i) all of Assignor's patent rights, including all patents and continuation, continuation-in-part, divisional, reissue and design patents and applications and improvements thereupon (being collectively called "Patent Rights"), now existing anywhere in the world or hereafter adopted, granted or acquired, including continuation, continuation-in-part, divisional, reissue and design applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any state thereof or any foreign country, including, without limitation, those patents and patent applications referred to in Schedule A (hereinafter called "Patents") attached hereto and incorporated herein by this reference; (ii) all of Assignor's right, title and interest in all patent licenses relating to the Patents and Patent Rights (whether as licensee or licensor), including each Patent license, if any, referred to in Schedule A attached hereto and incorporated herein by this reference; and (iii) all proceeds of, and rights associated with, the foregoing, including any claim by Assignor against third parties for past, present or future infringement of any Patent, Patent application or Patent license, including any Patent, Patent application or Patent license referred to in Schedule A, or for breach or enforcement of any Patent license. All of the foregoing property, interests and rights are hereinafter collectively referred to as the "Patent Collateral".

(b) For Value Received, Assignor hereby assigns to Lender as security for the Obligations (hereinafter defined), (i) all of Assignor's trademark rights, including all trademarks and continuation, continuation-in-part, divisional, reissue and design trademarks and applications and improvements thereupon (being collectively called "Trademark Rights"), now existing anywhere in the world or hereafter adopted, granted or acquired, including continuation, continuation-in-part, divisional, reissue and design applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any state thereof or any foreign country, including, without limitation, those trademarks and trademark applications referred to in Schedule B (hereinafter called "Trademarks") attached hereto and incorporated herein by this reference; (ii) all of Assignor's right, title and interest in all trademark licenses relating to the Trademarks and Trademark Rights (whether as licensee or licensor), including each Trademark license, if any, referred to in Schedule A attached hereto and incorporated herein by this reference; and (iii) all proceeds of, and rights associated with, the foregoing, including any claim by Assignor against third parties for past, present or future infringement of any Trademark, Trademark application or Trademark license, including any Trademark, Trademark application or Trademark license referred to in Schedule B, or for breach or enforcement of any Trademark license. All of the foregoing property, interests and rights are hereinafter collectively referred to as the "Trademark Collateral".

2. License. Notwithstanding the foregoing assignment, unless and until there shall have occurred and be continuing an Event of Default (as defined in the Loan

Agreement), Assignor shall retain and Lender hereby grants to Assignor the exclusive, non-transferable right and license to use the Patent Collateral and Trademark Collateral for Assignor's own benefit and account and for none other (except the license agreements listed on Schedule A hereto). Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor without the prior written consent of Lender, which may be withheld in Lender's sole and absolute discretion.

3. Reassignment. Upon Assignor's repayment to Lender of Value Received and Obligations Secured, Lender promises to reassign the Patent Rights and Trademark Rights to Assignor.

4. Obligations Secured. The foregoing assignment is made for the purpose of securing (in such order of priority as Lender may elect) the following (the "Obligations"):

(a) The payment of indebtedness in the total principal amount of up to \$55,000,000, with interest thereon, evidenced by the Notes;

(b) Payment of all sums advanced by Lender to protect the Patent Collateral and Trademark Collateral pursuant to the Loan Agreement and/or this Agreement, with interest thereon at a rate equal to the Default Rate (which rate of interest is hereinafter referred to as the "Agreed Rate");

(c) Payment of all fees and late charges now or hereafter due pursuant to the Loan Documents and other sums, with interest thereon, that may hereafter be loaned to Assignor, or its successors or assigns, by Lender, or its successors and assigns, when evidenced by a promissory note or notes reciting that they are secured by this Agreement;

(d) Performance of every obligation of Assignor contained in the Loan Documents;

(e) Performance of every obligation, covenant and agreement of Assignor contained in any agreement, document or instrument now or hereafter executed by Assignor reciting that the obligations thereunder are secured by this Agreement; and

(f) For the benefit of Lender, compliance with and performance of each and every provision of any other agreement, document, instrument, law, rule or regulation by which the Patent Collateral or Trademark Collateral is bound or may be affected.

5. Representations and Warranties. Assignor represents, warrants, covenants and agrees that:

(a) The Patents referred to on Schedule A hereto and the Trademarks referred to on Schedule B hereto are existing and have not been adjudged invalid or unenforceable, in whole or in part;

(b) Except as provided in this Agreement and the other Loan Documents, Assignor is the exclusive owner of the entire and unencumbered right, title and interest in and to the Patent Collateral and the Trademark Collateral except those items of Patent Collateral and Trademark Collateral in respect of which Assignor is lessor, and to the best knowledge of Assignor, no claim has been made that the use of any Patent Collateral or Trademark Collateral does or may violate the asserted rights of any third party;

(c) Assignor has made all necessary filings and paid all necessary fees to retain all rights in the Patent Collateral and the Trademark Collateral, and will continue to do so during the course of this Agreement.

(d) To the best knowledge of Assignor, Assignor owns directly or is entitled to use all Patent Collateral and Trademark Collateral and rights; and

(e) Assignor has the unqualified right to enter into this Agreement and perform its terms.

6. Terminal Disclaimers.

(a) Assignor represents, warrants and covenants and agrees that Assignor is the exclusive owner of the entire and unencumbered right, title and interest in and to any patent which necessitated any terminal disclaimer in the Patents referred to on Schedule A and the Trademarks referred to on Schedule B. Assignor hereby grants, assigns and conveys to Lender as security for the Obligations all of Assignor's patent rights to any patent which necessitated any terminal disclaimer in the Patents referred to on Schedule A or the Trademarks referred to on Schedule B.

(b) If any of the Patents referred to on Schedule A or the Trademarks referred to on Schedule B, or any other of Assignor's patent or trademark rights used in connection with or related to Assignor's business, is or becomes subject to a terminal disclaimer, Lender's security interest extends to the Patent or Trademark which necessitated the disclaimer. Thus, the Patent or Trademark which necessitated the disclaimer is or will also be included as collateral for Lender's loan. The Patent or Trademark which necessitated the disclaimer may not be sold or otherwise alienated during the life of the loan without the written consent of the Lender. Upon Lender or Assignor learning of the existence of a terminal disclaimer in any Patent or Trademark

serving as collateral, Assignor shall, and Lender shall have the right to require Assignor to, record the security agreement with the United States Patent and Trademark Office against the Patent or Trademark which necessitated the rejection. Lender may also properly record the security interest pursuant to Article 9 of the Uniform Commercial Code.

(c) For the Patent applications referred to on Schedule A and/or the Trademark applications referred to on Schedule B, Assignor grants a security interest to Lender in any Patent and Trademark necessitating a terminal disclaimer in the Patent or Trademark application serving as collateral. Assignor also agrees to notify Lender if a terminal disclaimer is filed and Assignor agrees to grant to Lender a security interest in the Patent and/or Trademark which necessitated the terminal disclaimer.

7. Notification of Lender. Assignor shall immediately notify Lender in writing of any change in the legal, trade or fictitious business names used by Assignor and shall, upon Lender's request, execute any additional financing statements and other assignments, agreements and certificates necessary, in Lender's opinion, to reflect the change in trade names or fictitious business names.

8. Use of Patent Collateral. Assignor shall have the duty, through counsel experienced in patent matters and reasonably acceptable to Lender, to prosecute diligently any Patent applications of the Patents pending as of the date of this Agreement or thereafter until the Assignor's obligations to Lender shall have been paid in full, and to do any and all acts which are necessary or desirable to preserve, expand and maintain all rights in the Patents. Any expenses incurred in connection with the Patents, including but not limited to patent drafting, filing, prosecution and maintenance fees shall be borne by Assignor. Assignor shall not abandon any Patent without the consent of the Lender, which consent shall not be unreasonably withheld.

9. Use of Trademark Collateral. Assignor shall have the duty, through counsel experienced in patent matters and reasonably acceptable to Lender, to prosecute diligently any Trademark applications of the Trademarks pending as of the date of this Agreement or thereafter until the Assignor's obligations to Lender shall have been paid in full, and to do any and all acts which are necessary or desirable to preserve, expand and maintain all rights in the Trademarks. Any expenses incurred in connection with the Trademarks, including but not limited to patent drafting, filing, prosecution and maintenance fees shall be borne by Assignor. Assignor shall not abandon any Trademark without the consent of the Lender, which consent shall not be unreasonably withheld.

10. Abandonment. Assignor shall notify Lender immediately if it knows, or has reason to know, that any Patent Rights, Trademark Rights, Patent, Trademark or patent application, Trademark or trademark application relating to any item of the Patent Collateral or Trademark Collateral listed on Schedule A and Schedule B hereto may be suspended, cancelled, or dedicated to the public or placed in the public domain, or of any material



adverse final determination or development (including any such determination or development in, any proceeding in the United States Patent and Trademark Office or any foreign counterpart thereof or any court) regarding Assignor's ownership of or rights to any of the Patent Collateral or Trademark Collateral or to keep and maintain and enforce the same.

11. Applications. Assignor shall provide Lender with notice of the issuance of any new Patents or Trademarks, including the issuance date and assigned patent number, or filing of any new patent applications, including the filing date and serial number, or the issuance date and assigned trademark number, and filing of any new trademark applications, and upon request of Lender, Assignor shall execute and deliver any and all applications, office actions, filings, agreements, instruments, documents and papers as Lender may reasonably request to evidence Lender's security interest and assignment of such Patent Collateral or Trademark Collateral. Assignor shall take all reasonable steps, including in any proceeding before the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue any application and issued patent with respect to the Patent Collateral listed on Schedule A hereto (and any other Patent Collateral or Trademark Collateral with respect to which Assignor is obligated to give the notice described in Section 6 above), or the Trademark Collateral listed on Schedule B (and any other Trademark Collateral with respect to which Assignor is obligated to give the notice described in Section 6 above). Assignor shall appear in and contest any action or proceeding purporting to affect this Agreement or the rights or powers of Lender, and shall pay all costs and expenses (including, without limitation, costs of litigation and attorneys' fees) in any such action or proceeding in which Lender may appear.

12. Inspections. Assignor hereby grants to Lender and its employees and agents the right to visit Assignor's facilities and to inspect the facilities upon prior written notice at reasonable times during regular business hours.

13. Patent Enforcement. If no Event of Default shall have occurred and be continuing, Assignor shall have the right, and if an Event of Default shall have occurred and be continuing, Assignor shall have the right, with the prior written consent of Lender, which will not be unreasonably withheld, to bring any proceedings or lawsuits in its own name to enforce or protect the Patents, in which event Lender will promptly reassign the applicable Patent to Assignor (the "Reassignment") until the earlier of: (a) the actions necessary to enforce or protect such Patent have been completed; and (b) the occurrence of an uncured Event of Default which occurs after the date of the Reassignment (a "Subsequent Event"). Upon the occurrence of a Subsequent Event, the Patent that was the subject of the Reassignment shall be deemed automatically assigned to Lender effective as of the date hereof, as if the applicable Reassignment had never occurred. Assignor shall promptly, upon demand, reimburse and indemnify Lender for all damages,

costs and expenses, including attorneys' fees, incurred by Lender in the fulfillment of the provisions of this Section.

14. Trademark Enforcement. If no Event of Default shall have occurred and be continuing, Assignor shall have the right, and if an Event of Default shall have occurred and be continuing, Assignor shall have the right, with the prior written consent of Lender, which will not be unreasonably withheld, to bring any proceedings or lawsuits in its own name to enforce or protect the Trademarks, in which event Lender will promptly reassign the applicable Trademark to Assignor (the "Trademark Reassignment") until the earlier of: (a) the actions necessary to enforce or protect such Trademark have been completed; and (b) the occurrence of an uncured Event of Default which occurs after the date of the Reassignment (a "Trademark Subsequent Event"). Upon the occurrence of a Subsequent Event, the Trademark that was the subject of the Reassignment shall be deemed automatically assigned to Lender effective as of the date hereof, as if the applicable Reassignment had never occurred. Assignor shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including attorneys' fees, incurred by Lender in the fulfillment of the provisions of this Section. Any Reassignment shall be completed by Lender delivering to Assignor the form attached hereto as Exhibit A.

15. Other Agreements. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement which is inconsistent with Assignor's obligations or Lender's rights under this Agreement, without Lender's prior written consent in Lender's sole and absolute discretion. Assignor shall not amend or modify in any material respect any of the license or assignment agreements without the consent of Lender in Lender's sole and absolute discretion.

16. Events of Default. If any Event of Default shall have occurred and be continuing and applicable contractual cure and grace periods shall have expired, Assignor's license with respect to the Patent Collateral and Trademark Collateral, as set forth in this Agreement, shall terminate forthwith, and the Lender shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patent Collateral or Trademark Collateral may be located and, without limiting the generality of the foregoing, the Lender may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in Phoenix, Arizona, or elsewhere, all or from time to time any of the Patent Collateral or Trademark Collateral, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patent Collateral and Trademark Collateral expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the balance of proceeds as provided with respect to other personal property securing the Loan. Notice of any sale or other disposition of the Patent Collateral or Trademark

Collateral shall be given to Assignor at least thirty (30) days before the time of any intended public or private sale or other disposition of the Patent Collateral or Trademark Collateral is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of the Notes or Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Patent Collateral and/or Trademark Collateral sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

17. Fees and Costs. Any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, (i) attorneys' fees and expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, (ii) the payment or discharge of any taxes, maintenance fees, encumbrances and (iii) those incurred in or otherwise protecting, maintaining or preserving the Patent Collateral and/or Trademark Collateral after Assignor shall have failed to do so in accordance with the terms of this Agreement and/or the Loan Documents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral and/or Trademark Collateral, shall be borne and paid by Assignor on demand by Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the Agreed Rate.

18. Power of Attorney. Assignor hereby makes, constitutes and appoints Lender or any officer or agent of Lender as Lender may select as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary to Lender to use the Patent Collateral and/or Trademark Collateral, or to grant or issue any exclusive or non-exclusive license under the Patent Collateral to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral and/or Trademark Collateral to anyone else. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement and may be exercised by Lender only at any time after the occurrence and during the continuance of an Event of Default. Assignor shall properly file any necessary supplemental Power of Attorney in the United States Patent and Trademark Office and any other or in any office or agency of the United States of America or any state thereof or any foreign country with a foreign patent office counterpart.

19. Indemnification. Assignor shall and does hereby agree to indemnify, defend and hold Lender harmless for, from and against any and all liability and/or Trademark Collateral, loss or damage which it may or might incur under or by reason of the Patent Collateral or under or by reason of this Agreement and for, from and against any and all claims, infringements and demands whatsoever which may be asserted against Lender by reason of any alleged obligation or undertaking in its part to perform or discharge any of the terms, covenants or agreements under or by reason of the Patent Collateral and/or

Trademark Collateral or under or by reason of this Agreement; provided, however, that the foregoing agreement to indemnify, defend and hold harmless shall not apply to the extent that such claims and demands arise from the gross negligence or intentional misconduct of Lender. Except as provided in the immediately preceding sentence, should Lender incur any such liability, loss or damage, or in the defense of any such claim, infringement or demand, the amount thereof, including costs, expenses and reasonable attorneys' fees, together with interest thereon at the Agreed Rate, shall be secured hereby and by the other Loan Documents, and Assignor shall reimburse Lender therefor (together with such interest) immediately upon demand. Upon receiving knowledge of any suit, claim or demand asserted by a third party that Lender believes is covered by this indemnity, Lender shall give Assignor notice of the matter and the opportunity to defend it, at Assignor's sole cost and expense, with legal counsel satisfactory to Lender. Lender may require Assignor to defend the matter. If Assignor promptly undertakes its responsibility to defend the matter, Assignor shall, at reasonable intervals, keep Lender apprised of the status of the matter and Assignor's actions pertaining thereto. In addition, even if Assignor accepts and undertakes its responsibility to defend the matter, Lender may, at its sole cost and expense, retain separate legal counsel to advise Lender with respect to the matter. Assignor or its counsel shall cooperate with such separate counsel of Lender. If Assignor does not promptly accept and undertake its responsibility to so defend the matter, Lender may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment, Assignor shall upon demand pay Lender all reasonable attorneys' fees and expenses incurred by Lender, whether or not an action is actually commenced.

20. Release. Upon payment in full and performance of all the Obligations secured hereby and termination of all obligations of Lender to make loans and advances and otherwise extend credit to Assignor (other than by reason of the exercise by Lender of its rights and remedies), this Agreement shall become and be void and of no effect, but the affidavit of any officer of Lender showing that any such conditions to release have not been satisfied shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Agreement, and any person may and is hereby authorized to rely thereon. Upon such termination, all the estate, right, title, interest, claim, assignment and demand of Lender in and to the Patent Collateral and/or the Trademark Collateral shall revert to Assignor, and Lender shall, at the request of Assignor and at the sole cost and expense of Assignor, deliver to Assignor one or more instruments cancelling the Assignment and reassigning the Patent Collateral and Trademark Collateral to Assignor.

21. Notices. All notices, requests, demands and consents to be made hereunder to the parties hereto shall be in writing and shall be delivered by hand or sent by certified mail, postage prepaid, return receipt requested, through the United States Postal Service to the addresses set forth in the Loan Agreement or such other address which the parties may provide to one another in accordance with the Loan Agreement. Such notices, requests, demands and consents, if sent by mail shall be deemed given when delivered.

22. No Prior Assignments or License. Assignor hereby represents and warrants to Lender that no previous assignment or license of its interest in the Patent Collateral and/or the Trademark Collateral has been made (except such as shall have been terminated or reassigned to Assignor) and, except for transfers to Lender, Assignor agrees not to assign, sell, pledge, transfer, license or otherwise encumber its interest in the Patent Collateral and/or the Trademark Collateral so long as this Agreement is in effect.

23. Release. This Agreement shall not effect the release of any other collateral now or hereafter held by Lender as security for the Obligations, nor shall the taking of additional security for the Obligations hereafter effect a release or termination of this Agreement or any terms or provisions hereof.

24. Further Assurances. Assignor, upon request of Lender, shall execute and deliver such further documents, as may be reasonably necessary to carry out the intent of this Agreement and to perfect and preserve the rights and interests of Lender hereunder and the priority thereof.

25. No Waiver. No failure or delay on the part of Lender in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies hereunder are cumulative and may be exercised by Lender either independently of or concurrently with any other right, power or remedy contained herein or in any document or instrument executed in connection with the Obligations.

26. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES.

27. Cumulative Rights. All of Lender's rights and remedies with respect to the Patent Collateral and/or the Trademark Collateral, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

28. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

29. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

30. Authority of Assignor and Signatories. Assignor hereby represents and warrants to Lender that all necessary consents and approvals have been obtained and that this Agreement has been duly authorized by all necessary action and that it constitutes and will constitute a valid and binding obligation of Assignor. Assignor hereby represents and warrants that the signatory executing this Agreement on behalf of the Assignor has been duly authorized by Assignor to execute this Agreement on behalf of Assignor as an officer of Assignor.

31. Number and Gender. In this Agreement, the singular shall include the plural and the masculine shall include the feminine and neuter gender, and vice versa, if the context so requires.

32. Counterparts. This Agreement may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this Agreement to form physically one document, which may be recorded.

33. Integration. The Loan Documents contain the complete understanding and agreement of Assignor and Lender and supersede all prior representations, warranties, agreements, arrangements, understandings, assignments, licenses and negotiations.

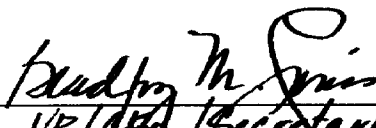
34. Survival. Subject to the applicable provisions of the Loan Agreement, the representations, warranties and covenants of Assignor in the Loan Documents shall survive the execution and delivery of the Loan Documents and the making of the Loan described therein.

35. Filing/Recordation. This Agreement may be filed/recorded in such public offices and with such governmental authorities as Lender may determine from time to time. Lender may so file/record this Agreement as a "security interest", "collateral assignment", "assignment" or similar designation as Lender may determine (so long as such designation is consistent with the terms of this Agreement) and Lender may from time to time rerecord/refile or take other action to change the designation under which this Agreement is recorded (so long as such designation is consistent with the terms of this Agreement).

WITNESS the execution hereof under seal as of the day and year first above written.

ASSIGNOR:

AXXESS TECHNOLOGIES, INC.  
a Delaware corporation

By   
Its VP/CEO/Secretary

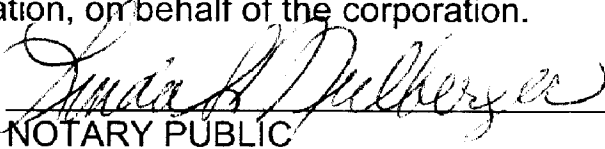
AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION

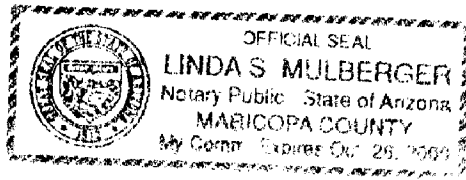
By   
Jeffrey D. Lowe,  
Vice President and Relationship Manager

STATE OF ARIZONA                    )  
  ) ss.  
County of Maricopa                 )

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by BRADLEY M. LINES, Secretary and Chief Financial Officer of AXXESS TECHNOLOGIES, INC., a Delaware corporation, on behalf of the corporation.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
*Oct 26, 2000*

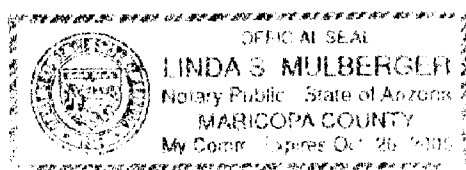


STATE OF ARIZONA                    )  
  ) ss.  
County of Maricopa                 )

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by Jeffrey D. Lowe, Vice President of WELLS FARGO BANK, NATIONAL ASSOCIATION, on behalf of the Bank.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
*Oct. 26, 2000*





**SCHEDULE A**  
to  
Amended and Restated  
Patent Collateral Assignment and Security Agreement  
between  
AXXESS TECHNOLOGIES, INC.  
a Delaware corporation, as Assignor  
and  
WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Agent

| <b>Title</b>  | <b>Patent No.</b>         | <b>Code</b>                      |
|---|---------------------------|----------------------------------|
| Method and Apparatus for Aligning and Cutting Single-Sided and Double Sided Keys                          | 5,443,339<br>(SN 425,731) | Axxess 2000-KCM                  |
| Method and Apparatus for Duplicating Keys Using Tip-referenced Alignment Between Key Blank and Master Key | 5,314,274                 | Slope Shoulder                   |
| Key Cutting Machine with Code Selectable Key Duplicating System   | 5,271,698                 | Code Cutter                      |
| Key Identifier Method and Apparatus   | 5,351,409                 | Key Identifier                   |
| Universal Key Blank and Key Duplication Method  | 5,167,171                 | Universal Key                    |
| Key Storage Container   | 5,308,360                 | Key Storage Container            |
| Key Storage Container   | Des. 348,390              | Key Storage Container-<br>design |
| Key Storage Tag   | 5,311,758                 | Key Storage Tag                  |
| Method and Apparatus for Duplicating Keys Using Tip-Referenced Alignment Between Key Blank and Master Key | 5,607,267                 | KCM Continuation                 |
| Key Cutting Machine With Key Tracing and Electronic Code Cutting Duplication Modes                        | 5,676,504                 | EKCM                             |
| Key Identifier Method and Apparatus   | 5,617,323                 | EKID                             |
| Plastic Card/Key Combination and Hinge Structure  | 4,677,835                 | Hinge                            |
| Key and Retainer Card Combination   | RE 32,914                 | Card Combination                 |

| <b>Title</b>   | <b>Patent No.</b> | <b>Code</b>                       |
|--|-------------------|-----------------------------------|
| Flat Plastic Key With Rigid Torque Transfer Insert   | 5,029,459         | RSK-Insert                        |
| Flat Plastic Key With Shortened Key Alignment Groove   | 5,201,203         | Shortened Groove                  |
| Flat Plastic Key with Rigid Torque Transfer Insert   | SN 08/046,217     | Stepped Blade                     |
| Combination Key and Key Holder   | 4,941,335         | Snap-In/Snap-Out<br>(Bobby Allen) |
| Key and Retainer Card Combination  | 4,637,236         |                                   |
| Disposable Container for Storing and Dispensing a Stack of Identical Card-Mounted Key Blanks | D348,393          |                                   |
| Key Positioning Fixture for a Key Cutting Machine  | 5,556,240         |                                   |

**SCHEDULE B to**  
**Amended and Restated**  
**Patent and Trademark Collateral**  
**Assignment and Security Agreement**

**UNITED STATES REGISTERED TRADEMARKS**

| <b>Mark</b>              | <b>Registration No.</b> |
|--------------------------|-------------------------|
| A.D. 2000                | 1,994,167               |
| AXXESS (and Design)      | 1,950,599               |
| AXXESS KEY IDENTIFIER    | 1,845,341               |
| AXXESS PC                | 1,754,900               |
| AXXESS +                 | 1,754,854               |
| CK (and Design)          | 1,526,510               |
| COLE                     | 1,572,868               |
| COLE                     | 1,162,439               |
| COLE                     | 1,279,617               |
| COLOR-PLUS               | 1,166,110               |
| CREDITCARD KEYS          | 1,486,689               |
| FIRSTNET (Stylized)      | 1,333,590               |
| Key Design               | 1,604,337               |
| Mr. Key (and Design)     | 704,597                 |
| Miscellaneous Design     | 704,596                 |
| Miscellaneous Design     | 1,230,589               |
| NATIONAL KEY             | 1,519,528               |
| PMI (and Design)         | 1,968,246               |
| SABRE (Stylized Letters) | 712,471                 |
| SHO-BIN                  | 1,528,290               |
| TL (and Design)          | 1,069,739               |
| U-STRAP-IT               | 1,706,837               |
| VISUAL IMPACT            | 1,717,101               |
| WESSEL                   | 1,794,653               |
| WH                       | 1,820,981               |

**SCHEDULE B to**  
**Amended and Restated**  
**Patent and Trademark Collateral**  
**Assignment and Security Agreement**

**PENDING TRADEMARK APPLICATIONS**

| <b>Mark</b>                | <b>Application No.</b> |
|----------------------------|------------------------|
| AXXESS+                    | 75/534,932             |
| AXXESS+ and Design         | 75/534,934             |
| AXXESS+ and Design         | 75/534,931             |
| IT'S THE RIGHT THING TO DO | 75/462,540             |
| KEYS MADE TO WORK          | 75/534,930             |
| KEYS MADE TO WORK          | 75/534,933             |
| PC+                        | 75/462,500             |
| QUICK-TAG YOUR PET         | 75/462,290             |
| TAG YOUR WORLD             | 75/465,606             |