

04-22-1999

Docket No.: 8062-22386

FORM PTO-1595 (Modified)
(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/94)
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P08/REV02



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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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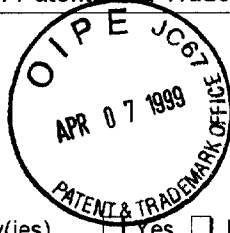
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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

4-7-99
M/CB
P/M

1. Name of conveying party(ies):

Authorgenics, Inc.



Additional names(s) of conveying party(ies) Yes No

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

Name: Noro Moseley Partners III, L.P.

Internal Address: _____

Street Address: Building 9

4200 Northside Parkway, N.W.

City: Atlanta State: GA ZIP: 30327

3. Nature of conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other _____

Execution Date: 16 March 1999

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration numbers(s):

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

A. Patent Application No.(s)

B. Patent No.(s)

5,815,717

Additional numbers attached? Yes No

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

Name: MORRIS, MANNING & MARTIN, LLP

Internal Address: _____

Street Address: 1600 Atlanta Financial Center

3343 Peachtree Road, NE

City: Atlanta State: GA ZIP: 30326

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41):.....\$ 40.00

Enclosed - Any excess or insufficiency should be credited or debited to deposit account

Authorized to be charged to deposit account

8. Deposit account number: _____

04/21/1999 JSH/DAZZ 00000237 5815717

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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.

David M. Lockman

April 7, 1999

Name of Person Signing

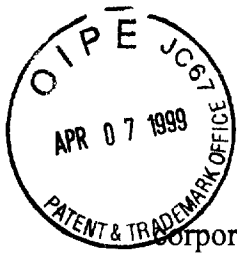
Signature

Date

Total number of pages including cover sheet, attachments, and document: 1

PATENT
REEL: 9883 FRAME: 0738

**COLLATERAL ASSIGNMENT OF PATENTS,
COPYRIGHTS AND TRADEMARKS**



FOR VALUE RECEIVED, the undersigned Authorgenics, Inc. ("Assignor"), a Florida corporation, having a principal place of business at 8100 Governor's Square Boulevard, Suite 200, Miami Lakes, Florida 33016, hereby grants, assigns and conveys to Noro Moseley Partners III, L.P., or its assigns ("Creditor"), subject to the prior lien of Arthur Levey and the parity liens, of Assignor's entire present and future right, title and interest in and to (i) the patents, copyrights, service marks and/or trademarks and any applications therefor listed on Exhibit A hereto, and (ii) any other patents, copyrights, service marks and/or trademarks and applications therefor which Assignor shall hereafter acquire (except those purchased from third parties), and (iii) all associated trade secrets and other confidential information and know-how, in each case including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement or misappropriation suits), the right to sue for past, present and future infringements and misappropriations and all rights corresponding thereto throughout the world, and the goodwill of the business to which such property relates, and (iv) all other intellectual property of Assignor of any kind or form whatsoever (all of the aforesaid property being hereinafter referred to as the "Assigned Property" as security for the payment when due whether by declaration, acceleration or otherwise of the principal of, accrued interest on, and all the obligations of Assignor under that certain Promissory Note dated of even date herewith and of any and all future promissory notes, loans or other forms of indebtedness or obligations of the Assignor in favor of the Creditor (collectively, the "Liabilities").

1. Assignor covenants and warrants that:

(a) Each of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property is subsisting and has not been adjudged invalid or unenforceable;

(b) To the best of Assignor's knowledge, all of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property are valid and enforceable;

(c) No claim has been made that the use of any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property do or may violate the rights of any third person;

(d) Assignor is the sole and exclusive owner of the entire right, title and interest in and to all of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property;

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

(f) Assignor has used, and shall continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Assigned Property; and

(g) Assignor has used, and shall continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under any trademarks or service marks constituting part of the Assigned Property.

2. Assignor hereby grants to Creditor and its employees and agents the rights to visit Assignor's plants and facilities which manufacture, inspect or store products sold under any of the trademarks or service marks constituting a part of the Assigned Property, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Assignor shall do any and all acts required by Creditor to ensure Assignor's compliance with Section 1(g).

3. Assignor agrees that, until all of the Liabilities shall have been satisfied in full, it shall not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Agreement, without Creditor's prior written consent, except for the license provided for in Section 6 below.

4. If, during the term of this Agreement, Assignor shall at any time or from time to time acquire any additional patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks and/or applications therefor not then listed on Exhibit A, Assignor shall give to Creditor prompt notice thereof in writing and the provisions hereof shall automatically apply thereto. At the request of Creditor, Assignor will join Creditor in executing and delivering one or more financing statements or other documents or instruments in form and substance satisfactory to Creditor for filing or recording in any state or county that Creditor or its legal counsel deems advisable.

5. In any case mentioned in Section 4 hereof, Assignor authorizes Lender to modify this Agreement by amending Exhibit A to include any patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks and/or applications therefor so acquired by Assignor, except those purchased from third parties. Assignor agrees, if requested by Creditor that it will register with the United States Copyright Office a copyright with respect to each copyrightable material contained in the Assigned Property provided such copyrightable material is in sufficiently complete condition to justify such registration. If such registration cannot be effected without jeopardizing any of the Assignor's trade secrets with respect to the Assigned Property, Assignor shall request that the Copyright Office register the Assigned property under that Office's special handling procedures. Assignor further agrees to place all copyright notices on Assigned Property as necessary to comply with the Copyright Act of 1976, as amended.

6. Unless and until there shall have occurred and be continuing an event of default under the Liabilities or in any agreement pursuant to which any of the Liabilities shall have been incurred, Creditor hereby grants to Assignor the exclusive, non-transferable right and license to reproduce, distribute, display, perform and adapt the Assigned Property under the copyrights, to use the service marks and/or trademarks constituting a part of the Assigned Property on and in connection with products sold by Assignor, and to use the know-how, trade secrets, confidential information and patents constituting a part of the Assigned Property to make, have made, use and sell the inventions disclosed and claimed in any of the patents constituting a part of the Assigned Property, for Assignor's own benefit and account and for none other. Assignor agrees not to sell

or assign its interest in, or grant any sublicense under, the license granted to Assignor in this Section 6, or to institute any infringement claims with respect to the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property, without the prior written consent of Creditor.

7. Assignor shall take all steps necessary to preserve and maintain the proprietary or intellectual property status of all patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks. Other than in the ordinary course of Assignor's business and only with the good faith intent to resume use, Assignor shall not cease use of any trademark or service mark which is part of the Assigned Property hereunder without the prior written consent of Creditor. All products or services offered in conjunction with the trademarks or service marks shall be consistent with or exceed the standards of quality in existence upon execution of this Agreement.

8. If any event of default shall have occurred and be continuing with respect to any of the Liabilities, Assignor's license to use any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property as set forth in Section 7, shall terminate forthwith, and the Creditor 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 principal executive office of the Assignor is located and, without limiting the generality of the foregoing, the Creditor 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 Miami-Dade County, Florida, or elsewhere all or from time to time any of the Assigned Property, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of any of the Assigned Property all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Liabilities. Any remainder of the proceeds after payment in full of the Liabilities shall be paid over to the Assignor. Notice of any sale or other disposition of any of the Assigned Property shall be given to Assignor at least fifteen (15) days before the time of any intended public or private sale or other disposition of any of the Assigned Property is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition.

9. At such time as Assignor shall have satisfied in full all of the Liabilities hereunder, this Agreement shall terminate and Creditor shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to revest in Assignor full title to the Assigned Property, subject to any prior disposition thereof which may have been by Creditor pursuant hereto.

10. Any and all fees, costs and expenses of whatever kind or nature incurred by Creditor in connection with the filing or recording of any documents, and the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or other costs of protecting, maintaining or preserving of any of the Assigned Property, or of defending or prosecuting any actions or proceedings arising out of or related to any of the Assigned Property, shall be borne and paid by Assignor on demand by Creditor and until so paid shall be added to

the principal amount of the Liabilities and shall bear interest at the highest rate prescribed in the instrument or instruments evidencing such Liabilities.

11. Assignor shall have the duty through counsel acceptable to Creditor, to prosecute diligently any application with respect to any patents, copyrights and/or trademarks constituting a part of the Assigned Property pending as of the date of this Agreement or thereafter until the Liabilities shall have been paid in full, to make any necessary federal application with respect thereto, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in all of the patents, copyrights and trademarks constituting a part of the Assigned Property. Any expenses incurred in connection with the Assigned Property shall be borne by Assignor. The Assignor shall not abandon any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property including rights to file patent applications or any pending patent application or patent, without the consent of the Creditor, which consent shall not be unreasonably withheld.

12. Assignor shall have the right, with the prior written consent of Creditor, which shall not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property, in which event Creditor may, if necessary, be joined as a nominal party to such suit if Creditor shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Assignor shall promptly, upon demand, reimburse and indemnify Creditor for all damages, costs and expense including attorneys, fees, incurred by Creditor in the fulfillment of the provisions of this Section 12.

13. In the event of the occurrence of an event of default under any instrument or instruments evidencing the Liabilities, Assignor hereby authorizes and empowers Creditor to make, constitute and appoint any officer or agent of Creditor as Creditor may select, in its exclusive discretion, 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 for Creditor to use any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property, or to grant or issue any exclusive or non-exclusive license under any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property to anyone else, or necessary for Creditor to assign, pledge, convey or otherwise transfer title in or dispose of any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property 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.

14. If Assignor fails to comply with any of its obligations hereunder, Creditor may do so in Assignor's name or in Creditor's name, but at Assignor's expense, and Assignor hereby agrees to reimburse Creditor in full for all expenses, including reasonable attorney's fees, incurred by Creditor in protecting, defending and maintaining any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property.

15. No course of dealing between Assignor and Creditor nor any failure to exercise, nor any delay in exercising, on the part of Creditor, any right, power or privilege hereunder or under any note or instrument evidencing any of the Liabilities or Agreement pursuant to which they were incurred shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. All of Creditor's rights and remedies with respect to any of the patents, copyrights, trade secrets, confidential information, know-how, service marks and/or trademarks constituting a part of the Assigned Property, whether established hereby or by any instrument or instruments evidencing any of the Liabilities, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

17. If any provision of this Agreement is hereafter determined to be unlawful, and if the unlawful provision can be deleted without altering the essence of this Agreement, the unlawful provision and only that provision shall be severed from this Agreement and the remaining provisions shall remain in full force or effect.

18. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 5 hereof.

19. 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.

20. This Collateral Assignment of Patents, Copyrights and Trademarks and any other documents delivered in connection herewith and the rights and obligations of the parties hereto and thereto shall for all purposes be governed by and construed and enforced in accordance with the substantive law of the State of Florida without giving effect to the principles and conflict of laws.

WITNESS the due execution hereof as of this 16th day of March, 1999.

AUTHORGENICS, INC.

By: _____


Brian Stack

Chairman of the Board



Exhibit A to Collateral Assignment of
Patents, Copyrights, Trademarks
between
Assignor and Assignee

PATENTS

Application or Patent No.	Country	Issue or Filing Date	Title
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5,815,717	U.S.A.	9/29/98	APPLICATION PROGRAM AND DOCUMENTATION GENERATOR SYSTEM
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COPYRIGHTS

Item Description	Registration No.	Copyright Date
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NONE

TRADEMARKS/SERVICE MARKS

Application or Registration No.	Issue or Filing Date	Sections 8/15 Date
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NONE