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FORM PTO-1595

(Rev. 8-93)

OMIS No. 0651-0011 (exp. 4-94)

R SHEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies):

The Cellular Hotline, Inc.
149 Weldon Parkway, Suite 109
Maryland Heights, MOAdditional name(s) of conveying party(ies) attached? ☐ Yes ☐ No

3. Nature of conveyance:

☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ Other

Execution Date: _____

2. Name and address of receiving party(ies)

Name: State Street Bank and Trust Company

Internal Address: _____

Street Address: 225 Franklin StreetCity: Boston State: MA ZIP: 02110Additional name(s) & 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: _____

A. Patent Application No.(s)

B. Patent No.(s) 5,465,288Additional numbers attached? ☐ Yes ☒ No

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

Name: Amy L. Mower, Esq.Internal Address: Cameron & MittlemanStreet Address: 56 Exchange TerraceCity: Providence State: RI ZIP: 02903

07/13/1999 DNGUYEN 00000150 5465288

6. Total number of applications and patents involved: 17. Total fee (37 CFR 3.41).....\$ 40.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number: _____

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

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40.00 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.

Amy L. Mower, Esq.

Name of Person Signing

Amy L. Mower Esq.

Signature

7/9/99

Date

Total number of pages including cover sheet, attachments, and document: 1Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231PATENT
REEL: 010078 FRAME: 0807

SECURITY AGREEMENT - PATENTS

This SECURITY AGREEMENT - PATENTS (the "Agreement") is entered into as of July 7, 1999 between **THE CELLULAR HOTLINE, INC.**, a Missouri corporation, with its principal place of business at 149 Weldon Parkway, Suite 109, St. Louis, Missouri (the "Debtor"), and **STATE STREET BANK AND TRUST COMPANY**, a Massachusetts trust company with its principal place of business at 225 Franklin Street, Boston, Massachusetts 02110 (the "Bank").

RECITALS

Concurrently with the execution of this Agreement, the Debtor will execute and deliver to the Bank the Debtor's guaranty (the "Guaranty") to the Bank of all indebtedness to the Bank incurred by Shared Technologies Cellular, Inc., a Delaware corporation (the "Borrower") pursuant to a Loan Agreement dated as of the date hereof between the Bank and the Borrower. In order to induce the Bank to enter into, and to make loans to the Borrower, and as collateral security for the Debtor's performance of its obligations under the Guaranty, the Debtor has agreed:

(a) to execute a security agreement (the "Security Agreement") granting the Bank a security interest in its letters patent and in certain of the Debtor's other property including but not limited to inventory, machinery, equipment formulations, manufacturing procedures, quality control procedures and product specifications (the "Collateral") relating to inventory sold under its letters patent; and

(b) to grant to the Bank a security interest in the Debtor's patents, pursuant to this Agreement;

NOW THEREFORE, in consideration of the provisions herein contained, the parties, each intending to be legally bound hereby, agree as follows:

SECTION 1. SECURITY INTEREST.

For valuable consideration, receipt of which is hereby acknowledged, and as security for the payment and performance of the Indebtedness (defined in the Guaranty), the Debtor, for itself and for its successors and assigns, grants to the Bank, its successors and assigns, a lien and, a security interest in all its right, title and interest in and to its now owned or hereafter-acquired inventions, registered letters patent and patents for which applications to register have been filed and are pending or are hereafter filed with the U.S. Patent and Trademark Office or any other governmental authority (collectively, the "Letters Patent"), including but not limited to those letters patent and letters patent applications listed on Schedule A attached hereto (as the same may be amended pursuant hereto from time to time), and including the sole right to sue for past, present, future and threatened

infringements of the Letters Patent and including any royalties, licenses, fees, proceeds, improvements and subsequent letters patent obtained in connection therewith, together with a security interest in all of its right, title and interest in and to its goodwill, franchises and business specifically connected with each of the Letters Patent, to have and to hold until the Indebtedness have been paid and performed in full.

SECTION 2. DEBTOR'S REPRESENTATIVES AND WARRANTIES.

The Debtor represents and warrants that to the best of Debtor's knowledge:

- (a) each of the Letters Patent is valid and enforceable;
- (b) except as set forth on Schedule B attached hereto and made a part hereof, no claim has been made that the use of any of the Letters Patent does or may violate the rights of any third person;
- (c) subject to the terms and provisions of Schedule A, the Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Letters Patent, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by the Debtor not to sue third persons;
- (d) the Debtor has the unqualified right to enter into this Agreement and perform its terms;
- (e) the Debtor has filed, and will file whenever required by law for the duration of this Agreement, all statutory notices required in connection with its use of the Letters Patent to ensure the continued registration of the Letters Patent with the U.S. Patent and Letters Patent Office or any other governmental authority;
- (f) should the Bank exercise its rights of foreclosure on the Letters Patent as provided herein or in the Security Agreement, upon the Bank's exercise of its rights with regard to the Letters Patent and the Collateral, the Bank or its assignee may manufacture, sell or otherwise transfer products or services under the Letters Patent with substantially the same product specifications and quality as presently maintained by Debtor in the manufacture of such inventory; and
- (g) the Debtor has required and observed consistent standards of quality in the delivery of the Debtor's goods or services to be sold under the Letters Patent.

SECTION 3. RELEASE OF LETTERS PATENT TO THE ASSIGNOR.

When the Debtor shall have paid and performed the Indebtedness in full, and shall have also paid to the Bank all such further sums as may become due under the terms of this Agreement as hereinafter provided, the Bank shall automatically release to Debtor all right, title and interest in and to the Letters Patent. The Bank at any time thereafter, at the request and expense of the Debtor, shall execute such releases of the security interest in the Letters Patent to the Debtor in a form suitable for recording by Debtor in the United States Patent and Letters Patent Office, or as the Debtor shall otherwise direct.

SECTION 4. THE DEBTOR'S COVENANTS.

The Debtor does hereby covenant and agree with the Bank that so long as any Indebtedness remain unsatisfied or the terms and conditions hereunder remain unsatisfied, it will:

- (a) defend the Letters Patent against all claims and demands of all persons at any time claiming the same or any interest therein;
- (b) comply with all the terms and provisions of this Agreement, the Guaranty and of all Security Documents and other documents entered into in connection therewith and herewith;
- (c) not sell or offer to sell, assign, license outside of the ordinary course of business, or otherwise transfer, or permit third parties to use, the Letters Patent or any interest therein without the prior written consent of the Bank, including any assignment or mortgage thereof or grant of security interest therein;
- (d) keep the Letters Patent free from any adverse liens, security interest or encumbrance;
- (e) upon its discovery, making, or becoming entitled to the benefit of any after-acquired Letters Patent, of any improvement upon the subject of the Letters Patent for which trade applications would be filed by Debtor in the ordinary course of Debtor's business, give written notice to the Bank of the same and said after-acquired Letters Patent, improvements shall forthwith be subject to the assignment herein and Schedule A shall be amended by the Bank to reflect such after-acquired Letters Patent. The Debtor agrees to execute such documents as the Bank may reasonably require to obtain a recorded collateral assignment in such after-acquired Letters Patent;
- (f) prosecute diligently any trade application either pending as of the date of this Agreement or filed after even date, and do any and all acts which are

necessary or desirable to preserve, enforce, protect and maintain all rights in the Letters Patent;

(g) not abandon any Letters Patent without the consent of the Bank, which consent shall not be unreasonably withheld.

Any expenses incurred by the Debtor in connection with the Debtor's compliance with its covenants under this Agreement shall be borne by Debtor.

SECTION 5. USE OF LETTERS PATENT PRIOR TO DEFAULT.

Prior to the occurrence of an Event of Default (as defined herein) and the lapse of any applicable cure period and the Bank's exercise of its remedies hereunder, the Bank agrees that the Debtor shall be entitled to make, use and sell any and all inventions and services under the Letters Patent and shall have any and all rights to sue for any past, present, future and threatened infringements of the Letters Patent, all solely for the Debtor's account, subject to the terms of this Agreement.

SECTION 6. INDEMNIFICATION.

6.1 In General. The Debtor hereby agrees to indemnify and hold the Bank harmless against and from (a) any and all liability, loss, damage and expense, including reasonable attorney's fees, which it may or shall incur or which may be asserted under or in connection with any of the Letters Patent, or by reason of any action taken by the Bank under any of the Indebtedness (including without limitation any action which the Bank in its discretion may take to protect its interest in the Letters Patent), and (b) any and all claims and demands whatsoever which may be incurred by or asserted against the Debtor by reason of any alleged obligations or undertakings on its part to perform or discharge the terms, covenants and conditions contained in any of the Letters Patent, except, in each case, claims, losses or liabilities resulting from the Bank's gross negligence or willful misconduct.

6.2 Interest. Should the Bank incur any such liability as described in **Section 6.1**, the amount thereof, together with interest thereon at the interest rate on the Indebtedness provided in the Loan Agreement between the Bank and Shared Technologies Cellular, Inc. of even date, as the same may be amended, modified, or extended from time to time hereafter, shall be payable by the Debtor to the Bank immediately upon demand, or at the option of the Bank, the Bank may reimburse itself therefor out of any profits or royalties or license fees of the Letters Patent collected by the Bank.

6.3 Bank's Obligation to Perform. Nothing contained herein shall obligate or be construed to obligate the Bank to perform any of the terms, covenants or conditions

contained in the Letters Patent or to take any measures, legal or otherwise, to enforce collection of any of said profits, royalties or license fees, or otherwise to impose any obligation upon the Bank with respect to the Letters Patent.

6.4 Debtor's Obligation to Perform. Unless and until there shall have occurred an Event of Default, this Agreement shall not operate to place upon the Bank any responsibility for the use, control, care or protection of the Letters Patent, and the execution of this Agreement by the Debtor shall constitute conclusive evidence that all responsibility for the use, control, care and protection of the Letters Patent is and shall be that of the Debtor prior to such actual entry and taking of possession.

SECTION 7. DEFAULT.

If an Event of Default shall occur as defined in the Guaranty, or in any other agreement entered into by the Debtor in connection therewith or in connection herewith by the Debtor, or there shall occur any breach of any agreement, covenant, term or provision hereof and such breach shall continue for ten (10) days after the earlier of:

- (i) notice thereof from the Bank; or
- (ii) the Bank is notified thereof by the Debtor,

(individually, an "Event of Default"), then immediately upon the occurrence of an Event of Default and the expiration of any applicable grace period, all Indebtedness shall immediately become due and payable without further action of any kind and the Bank may exercise such rights and remedies with respect to payment and performance as are provided herein, in the Guaranty, and in any other agreement entered into by the Debtor in connection therewith or in connection herewith.

SECTION 8. LICENSES AFTER AN EVENT OF DEFAULT.

Upon the occurrence of an Event of Default, and the expiration of any applicable cure period, the Bank, from time to time thereafter, upon fifteen (15) days written notice to the Debtor, may grant, upon such terms and provisions as the Bank shall see fit, licenses to third parties to make, use and vend the goods and services under the Letters Patent, or to exercise any of such rights at royalty or other periodic payments; and the Bank may receive and retain the monies arising therefrom and apply the same in reduction or payment of the Indebtedness, with the balance thereof, if any, to be paid to the Debtor, subject to the provisions of Section 9 hereof.

SECTION 9. POWER OF SALE AFTER AN EVENT OF DEFAULT.

Upon the occurrence of an Event of Default, and the expiration of any applicable cure period, in addition to:

- (a) all other rights and remedies given to it hereunder,
- (b) those rights and remedies provided by law including the rights and remedies of a secured party under the Commonwealth of Massachusetts Uniform Commercial Code, as in effect from time to time,

the Bank may, from time to time thereafter, either before or after its grant of rights under the terms of **Section 8** hereof, upon five (5) business days' written notice to the Debtor, sell the Letters Patent, including any licenses or benefits accruing thereunder if any have been granted, at public or private sale, at which the Debtor may become the purchaser, and assign and transfer all right, title and interest in the Letters Patent to the purchaser thereof. In furtherance of its right to sell the Letters Patent, the Bank may execute all deeds and other instruments as may be necessary or proper. The Bank shall apply the proceeds of any sale hereunder of the Letters Patent in reduction or payment of the Indebtedness, with the balance thereof, if any, to be paid to the Debtor. The Debtor agrees that upon any such sale it will execute such documents and do all further action as may be necessary or proper for the Bank to grant absolute title to the purchaser of any of the Letters Patent.

SECTION 10. POWER OF ATTORNEY.

Upon the occurrence of an Event of Default and the expiration of any applicable cure period, the Debtor hereby authorizes and empowers the Bank to make, constitute and appoint any officer or agent of the Bank as the Bank may select, in its exclusive discretion, as Debtor's true and lawful attorney-in-fact, with the power, as fully to all intents and purposes for it and in its name, place and stead, to do all acts necessary in the name and stead of the Debtor or in the Bank's name for the purpose of carrying out the terms and conditions of this Agreement, including but not limited to the following:

- (a) to endorse Debtor's name on all applications, documents, papers and instruments necessary for the Bank to use the Letters Patent;
- (b) to grant or issue any exclusive or non-exclusive license under the Letters Patent; and
- (c) to assign, pledge, convey or otherwise transfer title in the Letters Patent.

Debtor hereby ratifies and confirms all that such attorney shall lawfully do or cause to be done by virtue of the power of attorney granted above and releases the Bank from any

liability arising from any good faith act or acts hereunder or in furtherance of this Agreement. Any action or failure or refusal to act by the Bank under this power of attorney shall be at its election and without liability on its part. This power of attorney shall be coupled with an interest and shall be irrevocable until all Indebtedness have been paid in full.

SECTION 11. THE BANK'S RIGHT TO PERFORM THE ASSIGNOR'S DUTIES.

If the Debtor fails to comply with any of its obligations hereunder, the Bank may do so in Debtor's name or in the Bank's name and the Debtor hereby ratifies all that the Bank may do by virtue of this authorization.

SECTION 12. MISCELLANEOUS.

12.1 Notices. Any notices or consents required or permitted by this Agreement shall be in writing and shall be deemed delivered if delivered in person or sent by Certified Mail, Postage Prepaid, Return Receipt Requested to the party at the addresses set forth above, unless such addresses are changed by written notice hereunder.

12.2 Applicable Law. The law of the Commonwealth of Massachusetts shall govern the construction and enforcement of this Agreement and the rights and remedies of the parties hereto.

12.3 Binding Effect, Assignment, and Entire Agreement. This Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and permitted assigns of the parties hereto. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Bank. This Agreement, and the documents executed and delivered pursuant hereto, constitute the entire Agreement between the parties.

12.4 Expenses of the Bank. The Debtor will pay all expenses, including the reasonable fees and expenses of legal counsel to the Bank, in connection with the preparation and enforcement of this Agreement; until paid, such fees and expenses shall constitute Indebtedness secured hereby.

12.5 Definitions. Incorporated herein by reference are the representations, warranties and agreements of the Debtor and the definitions, terms and conditions as set forth in the Guaranty.

12.6 Further Acts. The Debtor and the Bank shall do, make, execute and deliver all such additional and further acts, deeds, assurances and instruments as which may be reasonably necessary for the purpose of more completely vesting in and assuring to the Debtor and the Bank their rights hereunder in or to the Letters Patent.

12.7 Waiver. Neither any course of dealing between Debtor and the Bank nor any failure to exercise, or any delay in exercising, on the part of the Bank, any right, power or privilege hereunder or under the Guaranty 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.

12.8 Exercise of Rights and Remedies. The Bank's rights and remedies with respect to the Letters Patent, whether established hereby or by the Guaranty, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

12.9 Agreements. No change, amendment, modification, assignment of rights or obligations, cancellation or discharge hereof, or of any part hereof, shall be valid unless the Bank shall have consented thereto in writing.

12.10 Captions. The captions and section headings of this Agreement are for convenience and reference only and shall not in any way define, limit, or describe the construction, terms or provisions of this Agreement.

12.11 Waiver of Trial By Jury. THE ASSIGNOR, TO THE EXTENT THAT ASSIGNOR MAY LAWFULLY DO SO WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS ASSIGNMENT, THE NOTE, THE GUARANTY OR ANY OTHER AGREEMENTS EXECUTED IN CONNECTION THEREWITH.

12.12 Consent to Jurisdiction. The Assignor, to the extent that it may lawfully do so, hereby consents to the jurisdiction of the courts of The Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts, as well as to the jurisdiction of all courts from which an appeal may be taken from the aforesaid courts, for the purpose of any suit, action or other proceeding arising out of any of its obligations under or with respect to this Agreement, and expressly waives any and all objections it may have as to venue in any of such courts.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to duly execute this Agreement as of the day and year first above written.

WITNESS:

**STATE STREET BANK AND
TRUST COMPANY**

By: Michael S. St. Jean
Michael S. St. Jean, Vice President

THE CELLULAR HOTLINE, INC.

By: _____
Its: _____

STATE OF Massachusetts
COUNTY OF Suffolk

In Boston, on the 6th day of July, 1999, before me personally appeared Michael S. St. Jean, Vice President of State Street Bank and Trust Company, to me known and known by me to be the person executing the within instrument on behalf of said trust company and who acknowledged said instrument so executed by him to be his free act and deed and the free act and deed of said trust company.

Janice R. Rainey
Notary Public
My commission expires: _____

STATE OF _____
COUNTY OF _____

JANICE R. RAINEY
My Comm. Exp. Sept. 7, 2001

In _____, on the _____ day of _____, 1999, before me personally appeared _____ of The Cellular Hotline, Inc., to me known and known by me to be the person executing the within instrument on behalf of said corporation, and who acknowledged said instrument so executed by _____ to be _____ free act and deed and the free act and deed of said corporation.

Notary Public
My commission expires: _____

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to duly execute this Agreement as of the day and year first above written.

WITNESS:

**STATE STREET BANK AND
TRUST COMPANY**

By: _____
Michael S. St. Jean, Vice President

THE CELLULAR HOTLINE, INC.

By:  _____
Its: TREASURER

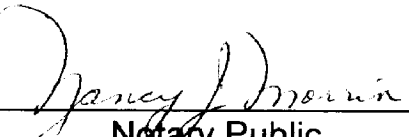

STATE OF
COUNTY OF

In _____, on the _____ day of _____, 1999, before me personally appeared Michael S. St. Jean, Vice President of State Street Bank and Trust Company, to me known and known by me to be the person executing the within instrument on behalf of said trust company and who acknowledged said instrument so executed by him to be his free act and deed and the free act and deed of said trust company.

Notary Public
My commission expires:

STATE OF Connecticut
COUNTY OF Hartford

In Wethersfield, on the 6th day of July, 1999, before me personally appeared Vincent DiVincenzo Treasurer of The Cellular Hotline, Inc., to me known and known by me to be the person executing the within instrument on behalf of said corporation, and who acknowledged said instrument so executed by him to be his free act and deed and the free act and deed of said corporation.

 _____
Notary Public
My commission expires: August 31, 2001

SCHEDULE A

Name of
Letters Patent
Point Of Sale Systems For Programming
A Cellular Telephone With Its Assigned
Telephone Number

Letters Patent
Serial No.
5,465,288

G:\WPWIN\docs\MDR\STATE\SHARED TECH\Security Agt-pt3