

09-27-1999

Keep within borders

ONLY PATENTS & PAT. A



PAT. APPLNS. & PATENTS ONLY

M07-23-99

To the Hon

101153998

arks, Wash., D.C. 20231

SIR: Please record the attached original document or copy thereof on which the particulars are:

1. Name of conveying party(ies) (assignor(s)):

netValue, Inc.

Additional name(s) of conveying party(ies) attached? []yes [X]no

2. Name and Address of Party(ies) receiving an interest (assignee(s)):

IQ Value, L.L.C.

Address: 171 East 62nd Street

New York, NY 10021

Country: USA

Additional name(s) & address(es) attached? []yes [X]no

3. Nature of Conveyance:

Collateral assignment

Execution Date: March 11, 1998

4. Execution date(s) on the Declaration if filed herewith:

4.5 Application number(s) or patent number(s). Others on additional sheet(s) attached? []yes [X]no

A. Patent Application No(s).
(series code/serial number)First Inventor
if not in Item 1

08/425,185

B. Patent No(s).

First Inventor
if not in Item 1

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

Matthew Pryor
Hunton & Williams
1900 K Street, N.W., Suite 1200
Washington, D.C. 20006-1109
(see telephone number below)

6. Number involved:

Applns. 1 + Pats: 0 = Total 1

7. Amount of fee enclosed:

Above Total x \$40 = \$40.00

8. If above fee missing or inadequate charge insufficiency to Deposit Account number 50-0206 (duplicate sheet not required.)

5.5 Atty. Dkt.

55534.000003

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.

09/27/1999 MTHAI1
01 FC:581

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Signature

10. Total number of pages
including this cover sheet
(Do NOT file dup. cover sheet)

10

Attorney: Matthew Pryor

Reg. No. P-45,278

Date: September 23, 1999

Atty/Sec: JGG/MGP

Tel: 202-955-1500

Fax: 202-778-2201

COLLATERAL ASSIGNMENT OF PATENTS AND TRADEMARKS

(PATENTS, PATENT APPLICATIONS, PATENT LICENSES, TRADEMARKS, TRADEMARK REGISTRATIONS, TRADEMARK APPLICATIONS AND TRADEMARK LICENSES)

This Collateral Assignment of Patents and Trademarks ("**Assignment**") is made as of the 11th day of March, 1998 between netValue, inc., a Delaware corporation with its principal executive office at 1960 Bronson Road, Building Two, Fairfield, Connecticut 06430 ("**Assignor**"), and IQ Value, L.L.C., having an office at 171 East 62nd Street, New York, New York 10021 ("**Assignee**").

BACKGROUND

A. Assignor, subject to the assignments and security interests granted by (x) that certain Collateral Assignment of Patents and Trademarks dated as of June 17, 1997, between Assignor and Golden Eagle Partners ("**Golden Eagle**") (the "**Golden Eagle Assignment Agreement**") and (y) that certain Collateral Assignment of Patents and Trademarks dated as of December 19, 1997 between Assignor and Michael A. Clark (the "**Clark Assignment Agreement**" and collectively with the Golden Eagle Assignment Agreements, the "**Existing Assignment Agreements**"), (i) owns the trademarks (collectively, "**Trademarks**"), trademark registrations (collectively, "**Trademark Registrations**"), and trademark applications listed on Schedule A annexed hereto, (ii) is a party to the trademark licenses (collectively, "**Trademark Licenses**") listed on Schedule B annexed hereto, and (iii) owns the patents (collectively, "**Patents**") and patent applications and is a party to the patent licenses listed on Schedule C annexed hereto (collectively, the "**Intellectual Property Rights**").

B. Pursuant to that certain Letter of Intent dated February 11, 1998 between Assignor and Assignee, as amended on March 10, 1998, (as amended, the "**Letter of Intent**"), Assignee has advanced to or for the benefit of Assignor the amount of Five Hundred Thousand (\$500,000.00) Dollars (the "**Advance**") as an advance payment under a certain definitive licensing agreement (the "**Licensing Agreement**") which may be executed by and between Assignor and Assignee. Capitalized terms appearing herein and not otherwise defined shall have the respective meanings ascribed to such terms in the Letter of Intent.

C. As collateral security for the repayment of the Advance in accordance with the terms of the Letter of Intent and Assignor's performance under the License Agreement (if and when executed by Assignor and Assignee), pursuant to a certain Security Agreement of even date herewith by Assignee in favor of Assignee, (collectively, the "**Obligations**") Assignor has granted to Assignee continuing liens and a security interest in all of Assignor's assets.

D. As conditions precedent to the willingness of Assignee to enter into the Letter of Intent and the License Agreement, Assignor is required to (i) grant, assign and convey to Assignee

all of Assignor's right, title and interest in and to the Patent and Trademark Collateral (as hereinafter defined), (ii) cause Golden Eagle and Michael A. Clark to execute and deliver an Intercreditor Agreement, pursuant to which the priority of the security interests created under the Existing Assignment Agreements will be subordinated to the security interest created hereby and Assignor is willing to do so on the terms and subject to the conditions of this Assignment.

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, intending to be legally bound, Assignor and Assignee agree as follows:

1. Assignment.

(a) Subject to Assignee's fulfillment of the condition set forth in Subparagraph (c), to secure the complete and timely satisfaction of the Obligations, Assignor hereby grants, assigns and conveys to Assignee, for the benefit the Buyers, Assignor's entire right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "**Patent and Trademark Collateral**"), whether presently existing or hereafter arising or acquired:

(i) All of the Intellectual Property Rights;

(ii) All of the goodwill of the business connected with the use of, and symbolized by, each Trademark, Trademark registration and Trademark application included in the Intellectual Property Rights;

(iii) all products and proceeds of the Intellectual Property Rights including, without limitation, any claim by Assignor against third parties for past, present or future infringement or dilution of any Intellectual Property Rights for injury to the goodwill associated with any Trademark, Trademark registration or trademark licensed under any Trademark License; and

(iv) all products and proceeds of the Intellectual Property Rights including, without limitation, license royalties and proceeds of infringement suits.

(b) Upon the full satisfaction of all of the Obligations, this Assignment shall terminate and upon Assignor's written request and at Assignor's cost and expense, Assignee shall execute and deliver such instruments and agreements as may be necessary or proper to transfer to Assignor full title to the Patent and Trademark Collateral, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

(c) The assignment made hereby shall be subject to Assignor's receipt of the Advance from Assignee in immediately available funds, in the lawful money of the United States of America, on or before 5:00 p.m. on March 11, 1998.

2. Certain Representations and Warranties.

All of Assignor's representations and warranties to Assignee set forth in the Letter of Intent and the License Agreement (when and if executed) are incorporated herein by this reference as if set forth at length herein. Assignor further represents and warrants to Assignee that:

(a) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) To the best of Assignor's knowledge, each of the Patents and Trademarks is valid and enforceable and Assignor has notified Assignee in writing of all prior assignments (including public uses and sales) of which it is aware;

(c) Subject to the Existing Assignment Agreements, Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to all of the Patent and Trademark Collateral, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by Assignor not to sue third persons; and

(d) Assuming the execution of the Intercreditor Agreement, Assignor has the unqualified right to enter into this Assignment and perform its terms and comply with the covenants herein contained.

3. License.

Unless and until there shall have occurred and be continuing an Event of Default, Assignee hereby grants to Assignor the exclusive, non-transferrable right and license to use the Patent and Trademark Collateral on and in connection with products manufactured and/or sold by Assignor, for Assignor's own benefit and account and for none other (the "License"). Assignor shall not sell, assign, encumber or convey the License or grant any sublicense under or pursuant to the License without the prior written consent of Assignee and any sale, assignment, encumbrance or conveyance without the Assignee's prior consent shall be null, void and without effect. Upon the occurrence of an Event of Default, the License shall be null, void and without further effect.

4. Covenants of Assignor.

- (a) Assignor (either itself or through permitted licensees) will:
- (i) maintain as in the past the quality of products and services offered under each Trademark;
 - (ii) employ each registered Trademark with the appropriate notice of registration;

(iii) not adopt or use any mark which is confusingly similar or a colorable imitation of any Trademark;

(iv) not use any Trademark except for the uses for which registration or application for registration of such Trademark has been made; and

(v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(b) Assignor will not do any act, or omit to do any act, whereby any Patents may become abandoned or dedicated, unless Assignor determines that it is commercially reasonable to do so and Assignee, upon written notification, accompanied by written explanation, agrees with such determination, which agreement shall not be unreasonably withheld.

(c) Assignor shall notify Assignee immediately if Assignor knows, or has reason to know, that any application or registration relating to any Patent or Trademark may become abandoned or dedicated or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court) regarding Assignor's ownership of any Patent or Trademark, Assignor's right to register the same, or to keep and maintain the same.

(d) Assignor will take all necessary steps including, without limitation, 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 each application (and to obtain the relevant registration and to maintain each registration of any Patent and Trademark) including, without limitation, filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition interference and cancellation proceedings (except to the extent that dedication, abandonment or invalidation is permitted by Assignee). Assignor shall not, however, be required to maintain or pursue any application which, in Assignor's judgment, is not commercially reasonable to maintain or pursue. Before refraining from taking steps to maintain or pursue any application, Assignor will notify Assignee in writing of its intention to do so accompanied by written explanation, and will obtain Assignee's consent to do so, which consent shall not be unreasonably withheld by Assignee.

(e) If any of the Patent and Trademark Collateral is infringed, misappropriated or diluted by a third party, Assignor shall notify Assignee promptly after Assignor learns thereof and shall, unless Assignor shall determine that it is not commercially reasonable to do so, and Assignee shall agree with such determination, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, or take such other actions as Assignor shall reasonably deem appropriate under the circumstances to protect such Patent and Trademark Collateral.

(f) Assignor hereby authorizes and empowers Assignee to make, constitute and appoint any officer or Assignee of Assignee, as Assignee 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 Assignee to use the Patent and Trademark Collateral, or to grant or issue any exclusive or nonexclusive license under the Patent and Trademark Collateral to any third person, or necessary for Assignee to assign, pledge, convey or otherwise transfer title in or dispose of the Patent and Trademark Collateral to any third person. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable throughout the term of this Assignment.

(g) Assignor shall have the right, with the consent of Assignee, which shall not be unreasonably withheld, to bring suit to its own name, and to join Assignee, if necessary, as a party to such suit so long as Assignee is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents and Trademarks and any licenses thereunder. Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all damages, costs and expenses, including legal fees, incurred by Assignee pursuant to this Subparagraph (g).

(h) No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under any other agreement between Assignor and Assignee and/or any of the Buyers 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.

(i) All of Assignee's rights and remedies with respect to the Patent and Trademark Collateral, whether established hereby or by or the Letter of Intent or the License Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

(j) The provisions of this Assignment 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 clause or provision of this Assignment in any jurisdiction.

(k) The benefits and burdens of this Assignment shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

(l) The validity and interpretation of this Assignment and the rights and obligations of the parties shall be governed by the laws of the State of Connecticut.

(m) The parties acknowledge that it is their intention to file a copy of this Assignment with the United States Department of Commerce Patent and Trademark Office.

IN WITNESS WHEREOF, the parties hereto have caused this Collateral Assignment of Patents and Trademarks be duly executed by their officers thereunto duly authorized as of the date and year first written above.

NETVALUE, INC.

By: 

Michael A. Clark, President



Michael A. Clark, for himself

IQ VALUE, L.L.C.

By: _____

Gary Blau, Manager

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NETVALUE, INC.

By: _____
Michael A. Clark, President

Michael A. Clark, for himself

IQ VALUE, L.L.C.

By:  _____
Gary Blau, Manager

SCHEDULE A

Trademark, Trademark Registration and Trademark Applications

Registered

<u>Reg. No.</u>	<u>Mark</u>	<u>Serial No.</u>	<u>Publication Date</u>
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NONE

Applications

<u>Mark</u>	<u>Serial No.</u>	<u>Date of Application</u>
COUPONS ONLINE and Design	74/666,559	Notice of allowance issued May 28, 1996; extension to file a Statement of Use granted on January 8, 1998
I-VALUE	75/415,133	January 8, 1998
NETVALUE	75/415,131	January 8, 1998
netValue and Design	75/415,132	January 8, 1998
INTERNET MARKETING AND RESEARCH INSTITUTE	75/415,130	January 8, 1998

SCHEDULE B

Trademark Licenses

NONE

SCHEDULE C

Patents, Patent Applications and Patent Licenses

Patents

NONE

Applications

<u>Title</u>	<u>Serial No.</u>	<u>Filing Date</u>
Application for Letters Patent: "Method and System for Electronic Distribution of Product Redemption Coupons"	08/425,185	April 19, 1995.

STATUS: Preparing a response to final Office action.

Continuation-in-Part patent application
Serial No.: 08/425, 185

Finalizing disclosure tot forward
to patent counsel for preparation
and filing in the United States
Patent and Trademark Office.

Patent Licenses

NONE