

04-27-2001



101691374

4-1701

**RECORDATION FORM COVER SHEET
PATENTS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID#
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment
 - Security Agreement
 - License
 - Change of Name
 - Merger
 - Other
- U.S. Government**
(For Use ONLY by U.S. Government Agencies)
- Departmental File
 - Secret File

Conveying Party(ies)

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Second Party

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Receiving Party

Mark if additional names of receiving parties attached

Name (line 1)

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

FOR OFFICE USE ONLY

04/25/2001 GTOM11 00000162 09630116
01 FC:581 200.00 00

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Application Number(s) or Patent Number(s)

Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

<input type="text" value="09630116"/>	<input type="text" value="09712716"/>	<input type="text" value="09681073"/>	<input type="text" value="6164046"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor. Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number only if a U.S. Application Number has not been assigned.

PCT PCT PCT
PCT PCT PCT

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment:
Deposit Account

Enclosed Deposit Account

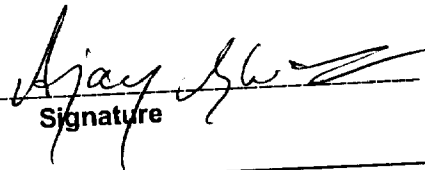
(Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

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. Charges to deposit account are authorized, as indicated herein.

Ajay Ghia, Vice President
Name of Person Signing


Signature

3/23/01
Date

SECURITY AGREEMENT

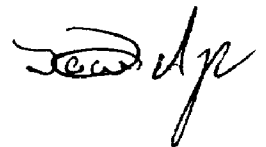
THIS SECURITY AGREEMENT (this "Security Agreement") is entered into as of the 23rd day of March, 2001 by and between Todd Werner of St. Pete Beach, Florida ("Assignor"), and Pitney Bowes Inc., with offices at 1 Elmcroft Road, Stamford, Connecticut 06926 ("Secured Party").

WHEREAS, simultaneously with the execution and delivery of this Security Agreement, the parties shall enter into the Agreement for Acquisition of All Patent Rights dated as of the date hereof (the "Purchase Agreement"), pursuant to which Secured Party has agreed to exclusively license and/or acquire a certain patent and certain patent rights and intellectual property of Assignor and the personal guarantee of Todd Werner contained in the Right to Manufacture Agreement between Document Messaging Technologies Division, a division of Pitney Bowes Inc. and Sure-Feed Engineering, Inc. dated as of the date hereof (the "Guarantee"); and

WHEREAS, the execution and delivery of this Security Agreement and the granting of the security interest set forth herein are conditions precedent to the consummation of the transaction contemplated by the Purchase Agreement.

NOW, THEREFORE, Assignor, for value received, the receipt and sufficiency of which is hereby acknowledged, hereby grants to Secured Party a security interest in its entire right, title and interest in and to the patent applications and patent listed in "Exhibit A" attached hereto, including, without limitation, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world, and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof (herein collectively referred to as the "Patents").

1. This Security Agreement secures the following: (i) Assignor's obligations under the Purchase Agreement, the Guarantee and this Security Agreement; (ii) the repayment of any amounts that Secured Party may advance or spend for the maintenance or preservation of the Patents; (iii) all amounts owed under any modifications, renewals or extensions of any of the foregoing obligations; and (iv) any of the foregoing that arises after the filing of a petition by or against Assignor under the Bankruptcy Code, even if



the obligations due do not accrue because of the automatic stay under Bankruptcy Code §362 or otherwise.

2. Assignor warrants, covenants and agrees as follows:

(i) The Patents are, to the best of its knowledge, subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(ii) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, free and clear of any liens, charges and encumbrances, including without limitation, licenses, shop rights and covenants by Assignor to sue third persons;

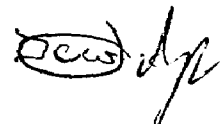
(iii) Assignor has the unqualified right to enter into this Security Agreement and perform its terms;

(iv) Assignor shall not sell, encumber, grant or permit any further security interest in or lien or encumbrance upon the Patents without the written consent of the Secured Party, and Assignor shall at all times keep full and accurate records relating to the Patents, which shall be made available to the Secured Party upon reasonable request;

(v) No financing statement covering the Patents or any part thereof is on file in any public office prior to the grant of a security interest to Secured Party pursuant hereto, and Assignor will, at the request of Secured Party, join with Secured Party in executing a financing statement pursuant to the applicable Uniform Commercial Code and Assignor will obtain any necessary consent of other persons prior to Assignor's entering into this Security Agreement and pledging the Patents pursuant hereto;

(vi) This Security Agreement constitutes the legal, valid and binding agreement of Assignor, enforceable against it in accordance with its terms; and

(vii) Assignor agrees that, at no expense to Assignor, from time to time upon the written request of Secured Party, Assignor will execute and deliver such further documents and do such other acts and things as Secured Party may reasonably request to fully effect the purposes of this Security Agreement.

A handwritten signature in black ink, appearing to be "Dew" followed by a stylized flourish.

3. If Assignor shall obtain rights to or become entitled to the benefit of any patent application or patent for any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Paragraph 1 shall automatically apply thereto and any such rights shall be included in the definition of "Patents" hereunder and Assignor shall give to Secured Party prompt notice thereof in writing.

4. Assignor shall be in default under this Security Agreement upon the happening of any of the following events or conditions;

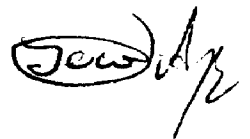
(i) Any warranty, representation or statement made or furnished herein proves to have been false when made or furnished;

(ii) The failure of Secured Party at any time to have a first priority, continuously perfected security interest in the Patents;

(iii) The breach of any covenant or agreement made by Assignor hereunder; or

(iv) Assignor is in breach of a covenant or agreement under the Purchase Agreement or is in default of the Guarantee.

5. Upon the occurrence of any default hereunder, or at any time thereafter, Secured Party may, at its option, declare all obligations secured hereby or any of them, notwithstanding any provisions thereof, immediately due and payable without demand or notice of any kind and the same thereupon shall immediately become due and payable without demand with thirty (30) days prior written notice. Secured Party may exercise from time to time any and all rights and remedies of a secured party under any applicable Uniform Commercial Code (or any other laws in effect in any jurisdiction where any rights and remedies may be asserted) and any and all rights and remedies available to it as a result of this Security Agreement or any other document executed in connection herewith including, without limitation, the right, to the maximum extent permitted by law, to exercise all rights and ownership pertaining to the Patents as if Secured Party

A handwritten signature in black ink, appearing to read "Jewell", is located in the bottom right corner of the page.

were the sole and absolute owner thereof (and Assignor agrees to take all such action as may be appropriate to give effect to such right.)

Without limiting the foregoing, upon the occurrence of a default, Secured Party shall have the right to sell, assign, license or otherwise dispose of all or any of the Patents, without demand of performance or notice of intention to effect any such disposition and Secured Party or anyone else may be purchaser, licensee, assignee or recipient of any or all of the Patents so disposed.

For purposes of this Section 5, in the event of a wrongful and unlawful foreclosure of the rights to the Patents hereunder by Secured Party, the limitation of consequential damages provisions contained in the Purchase Agreement shall not apply.

6. Assignor shall be responsible for any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Secured Party in connection with the enforcement of this Security Agreement by Secured Party; provided however, Assignor shall not be responsible for such fees and expenses in the event of a wrongful and unlawful foreclosure of the rights to the Patents hereunder.

7. Assignor shall have the duty, through counsel reasonably acceptable to Secured Party, to prosecute diligently any patent application of the Patents pending as of the date of this Security Agreement or thereafter, to preserve and maintain all rights in patent applications of the Patents. Any expenses incurred in connection with such an application shall be borne by Assignor. Assignor shall not abandon any right to file a patent application, any pending patent application or patent, without the consent of Secured Party, which consent shall not be unreasonably withheld. The obligation of Assignor in this Section 7 shall not exceed the obligations of Assignor under the Purchase Agreement and the Guarantee.

8. Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and any license hereunder, in which event Assignor shall at the request of Secured Party do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify

Secured Party for all costs and expenses incurred by Secured Party in the exercise of its rights under this Paragraph 8.

9. All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns.

10. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

11. No failure on the part of Secured Party to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall an single or partial exercise by Secured Party 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 remedies herein are cumulative and are not exclusive of any remedies provided by law. The terms of this Security Agreement may not be waived, altered or amended except by an instrument in writing duly executed by Assignor and Secured Party.

12. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent provided by the law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of Secured Party in order to carry out the intentions of the parties hereto as nearly as may be possible and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

13. All notices provided for in this Security Agreement shall be in writing, shall be delivered in person or sent by overnight express delivery service (with a confirmation copy sent by facsimile on the same day) and shall be deemed to have been given when received if delivery is in person or, in the case of express delivery service, two (2) days after the date when the notice was sent by such delivery service, addressed:

To Pitney Bowes:
Pitney Bowes Document Messaging Technologies
37 Executive Drive
Danbury, CT 06810
Attn: President
Facsimile: (203) 739-3963

Handwritten signature and initials, possibly "JOGS" and "APC", in black ink.

With a copy to:

Pitney Bowes Inc.
MSC 64-01
1 Elmcroft Road
Stamford, CT 06926-0700
Attention: Deputy General Counsel - Corporate
Facsimile: (203) 351-7756

To Todd Werner:

Todd Werner
c/o John Morgan Brunson, Esq.
1474 Jordan Hills Court
Clearwater, FL 33756
Facsimile: (727) 466-6728

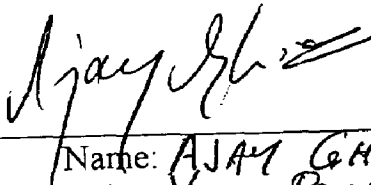
With a copy to:

John Morgan Brunson, Esq.
1474 Jordan Hills Court
Clearwater, FL 33756
Facsimile: (727) 466-6728

14. Notwithstanding the foregoing, the obligations, representations and warranties contained in this Security Agreement, shall not exceed those obligations, representations and warranties contained in the Purchase Agreement.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Security Agreement as of the day and year first above written.

PITNEY BOWES INC.

By 
Name: AJAY GHIA
Title: VICE-PRESIDENT.


Todd Werner

EXHIBIT A

<u>U.S. Patent Application No.</u>	<u>U.S. Filing Date</u>	<u>Issued Patent No.</u>	<u>U.S. Issue Date</u>
09/250,459	12/16/99	6,164,046	12/26/00
09/630,116	8/1/00		
09/712,716	11/14/00		
PCT/US 00/13625 (co-pending to 09/250,459)	International Filing Date 5/17/00		
09/681,073	12/20/00		

{C0013235.1}

** TOTAL PAGE. 39 **

RECORDED: 04/12/2001

PATENT
REEL: 011712 FRAME: 0982