

PATENT ASSIGNMENT

Electronic Version v07

Stylesheet Version v02

SUBMISSION TYPE:	NEW ASSIGNMENT				
NATURE OF CONVEYANCE:	SECURITY INTEREST				
CONVEYING PARTY DATA					
Name		Execution Date			
Crosskate, Inc.		2001-11-30			
RECEIVING PARTY DATA					
Name	Street Address	Internal Address	City	State/Country	Postal Code
Stephen R. Madow	34 Philips Beach Avenue		Swampscott	MASSACHUSETTS	01907
PROPERTY NUMBERS Total: 1					
Property Type		Number			
Patent Number		6241264			
CORRESPONDENCE DATA					
FAX NUMBER: 703-838-7684					
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>					
Phone: 703-838-7683					
Correspondent Name: Patrick J. O'Shea					
Company Name: Samuels, Gauthier & Stevens LLP					
Address Line 2: 225 Franklin Street, Suite 3300					
Address Line 3:					
Address Line 4: Boston, MASSACHUSETTS 02110					
NAME OF PERSON SIGNING:		Randy W. Lacasse			
DATE SIGNED:		2003-05-15			
Total Attachments: 7					
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SECURITY AGREEMENT

THIS SECURITY AGREEMENT, made as of this 30th day of October, 2001 by and between Crosskate, Inc., a corporation duly organized under the laws of the State of Delaware, and having a principal place of business at 221 Pine Street, Florence, Massachusetts 01062 (hereinafter "CROSSKATE"), and Stephen R. Madow, an individual residing at 34 Philips Beach Avenue, Swampscott, Massachusetts 01907 (hereinafter "MADOW"), either one or both of which are sometimes referred to herein as the Party or Parties.

CONSIDERATIONS UNDERLYING THIS SECURITY AGREEMENT

WHEREAS MADOW is entering into a lending arrangement with CROSSKATE pursuant to which CROSSKATE may borrow, from time to time, amounts not exceeding \$500,000.00, in the aggregate, pursuant to a Revolving Credit Agreement (the "Credit Agreement") and a Promissory Note of even date herewith (the "Note"); and

WHEREAS CROSSKATE is willing to grant MADOW a security interest in any and all of its accounts receivable, its inventory of supplies, parts and finished products, and its patents and trademarks as collateral security for repayment of the Note.

NOW THEREFORE, in consideration of the mutual covenants and agreements of the Parties set forth herein, the Parties agree as follows:

ARTICLE I: DEFINITIONS

- A. "Note" shall have the meaning set forth in the preamble hereto.
- B. "Event of Default" shall mean the occurrence of an "Event of Default" as defined in the Note.
- C. "Obligations" shall mean any and all obligations of CROSSKATE to MADOW whether absolute or contingent, primary or secondary, due or to become due, now existing or hereafter arising, and including obligations to perform acts and to refrain from acting as well as obligations to pay money arising directly or indirectly under the Credit Agreement or Note.
- D. "Patents" shall mean all U.S. patents and patent applications owned by CROSSKATE now or hereafter acquired, including without limitation those identified on Schedule A attached hereto, together with any continuation, divisional, continuation-in-part, or reissue patents and applications, and any foreign counterparts thereof, now existing or hereafter existing during the term of this Security Agreement to which CROSSKATE has any right, title and interest.
- E. "Trademarks" shall mean any trademark and servicemark rights whether registered or not, applications to register and registrations of the same and like protections, all trade names, trade styles, designs, and the like, all elements of package or trade dress of goods,

and the entire goodwill of the business of CROSSKATE connected with and symbolized by such trademarks, owned by CROSSKATE now or hereafter acquired, including without limitation those identified on Schedule B attached hereto.

F. "Collateral" shall mean the Patents, the Trademarks, the Inventory of CROSSKATE (as that term is defined in the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts, the "U.C.C.") and the Accounts of CROSSKATE (as that term is defined in the U.C.C. Without limiting and in addition to the foregoing, Inventory shall include all of the supplies, components, and parts used by CROSSKATE in the manufacture of its products, its work in process, and its inventory of completed products.

ARTICLE II: GRANT OF SECURITY INTEREST

A. To secure the complete and timely satisfaction of all the Obligations, CROSSKATE hereby grants a security interest to MADOW in all of CROSSKATE's right, title and interest in and to the Collateral.

B. If, before the Obligations are satisfied in full, CROSSKATE obtains rights to new Patents and Trademarks, CROSSKATE hereby agrees to acknowledge MADOW's continuing security interest in such Patents and Trademarks and shall execute and deliver such instruments as may be reasonably required in order to perfect such security interest.

ARTICLE III: DUTIES OF CROSSKATE

A. CROSSKATE shall, at its own expense, do all acts reasonably recommended by legal counsel as necessary to preserve and protect the Patents, including without limitation diligently filing, maintaining and prosecuting any patent or patent applications (including continuations, continuations-in-part, divisionals, reissues and re-examinations), and paying all fees, expenses, and annuities or other charges in connection therewith. Any expenses incurred in connection with such applications and patents shall be born and paid by CROSSKATE. CROSSKATE shall not unreasonably abandon any patent or patent application.

B. CROSSKATE shall, at its own expense, do all acts reasonably recommended by legal counsel as necessary to preserve and protect the Trademarks, including without limitation diligently filing, maintaining and prosecuting any trademark or trademark applications (including oppositions). Any expenses incurred in connection with such applications and trademarks shall be born and paid by CROSSKATE. CROSSKATE shall not unreasonably abandon any trademark or trademark application.

C. CROSSKATE shall keep the Collateral in as good order and repair as the same is on the date hereof, fair wear and tear and damage by fire or other casualty excepted, and will not use the Collateral in violation of law or any policy of insurance thereon. MADOW may inspect the Collateral at any reasonable time, wherever located. CROSSKATE shall keep the Collateral at all times at its principal place of business, or at such other location as MADOW may agree in writing, except to the extent that such Collateral has been deployed elsewhere in the ordinary course of CROSSKATE's business.

D. CROSSKATE will duly pay and discharge all taxes, assessments and governmental charges upon it or any of the Collateral prior to the date on which penalties are attached thereto unless and to the extent only that the same is being contested in good faith.

E. With respect to the Collateral, CROSSKATE will, at all times, maintain customary insurance coverage against fire, including so-called extended coverage and theft with loss payable to CROSSKATE and MADOW, as their interests may appear. All policies of insurance shall provide for not less than twenty days' notice of cancellation or change in form to MADOW. CROSSKATE will, upon written request by MADOW, deliver insurance company certificates attesting to the coverage of such policies of insurance in force in which MADOW is named as insured.

F. At his option, MADOW may discharge taxes at any time levied or placed on the Collateral, may pay for any insurance maintained on the Collateral and may pay for the maintenance and preservation of the Collateral. CROSSKATE agrees to reimburse MADOW on demand, for any reasonable payment made, or any reasonable expense incurred by MADOW pursuant to the foregoing authorization.

ARTICLE IV: EVENTS OF DEFAULT

If any Event of Default shall have occurred, MADOW shall be entitled (but not required) to exercise in respect to the Collateral, in addition to any other rights and remedies provided for herein or at law, all of the rights and remedies of a secured party under the U.C.C. whether or not the U.C.C. applies to the Collateral, and also may, without notice, except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of MADOW's offices or elsewhere upon such terms that are commercially reasonable. MADOW shall provide at least ten (10) calendar days written notice to CROSSKATE identifying the time and place of any public sale or the time that any private sale is to be made. MADOW shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. MADOW may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor and such sale may, upon ten (10) days prior written notice (which notice CROSSKATE agrees is reasonable), be made at the time and place to which it was so adjourned. MADOW may purchase all or any part of the Collateral at public or private sale and, in lieu of actual payment of such purchase price, may set off the amount of such purchase price against the Obligations. The proceeds realized from the sale of any such Collateral shall be applied to costs and expenses of collection, storage, custody, and sale or other disposition and delivery of the Collateral (including legal costs and reasonable attorney's fees) and all other charges. The residue of the proceeds of any such sale or disposition shall be applied to the payment of the Obligations in such order of preference as MADOW may determine. If any deficiencies shall arise, CROSSKATE shall remain liable to MADOW therefor. The commencement of any action, legal or equitable, where the rendering of any judgment of decree for the deficiency shall not affect MADOW's interest in the Collateral until the Obligations are fully paid.

ARTICLE V: APPLICABLE LAW.

This Security Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts.

ARTICLE VI: REPRESENTATIONS AND WARRANTIES.

A. CROSSKATE represents and warrants that it owns the Collateral, free from any lien or encumbrance, or any claim of ownership by any third party, and there has been no decision adverse to CROSSKATE's claim of ownership rights and or exclusive rights to the Patents and Trademarks.

B. CROSSKATE represents and warrants Schedules A and B are a complete list of all Patents and Trademarks assigned to CROSSKATE, as of the date hereof..

C. CROSSKATE represents and warrants that it has no knowledge that the Patents and Trademarks are invalid or unenforceable. CROSSKATE also represents and warrants that it has not received any written claim by any third party that any of the Patents and Trademarks may be invalid or unenforceable.

ARTICLE VII: WAIVERS AND MODIFICATIONS

It is understood that this Security Agreement, the Note and the Credit Agreement (together with the documents or instruments referred to therein) set forth the entire agreement between the Parties hereto with respect to the transactions contemplated herein and therein. Neither Party shall be bound by any agreement, covenant or warranty made by its agents or employees, or any other person, unless such agreement, covenant or warranty shall be reduced to writing and signed by it. The failure of either of the Parties at any time or times to require performance by the other of any provisions hereof shall in no manner affect the right of the first-mentioned Party thereafter to enforce the same. The waiver by either of the parties of any breach of any provisions hereof shall not be construed to be a waiver of any succeeding breach of such provision or a waiver of the provision itself.


ARTICLE VII: TERMINATION

Following repayment of the Note, in accordance with its terms, the Note shall no longer be an Obligation, and this Security Agreement shall terminate and be of no further force and effect. In addition, upon the termination of this Security Agreement, MADOW shall sign such instruments as CROSSKATE may reasonably request upon release of the security interest granted by this Security Agreement, including U.C.C. termination statements and such other documents as may be necessary to file with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Security Agreement to be executed, in duplicate as of the date written below.

CROSSKATE, INC.

STEPHEN MADOW

By: 
Title: President
Date: 10/30/01

Stephen Madow
Date: _____

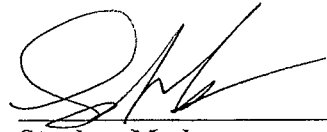
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IN WITNESS WHEREOF, each of the Parties hereto has caused this Security Agreement to be executed, in duplicate as of the date written below.

CROSSKATE, INC.

By: _____
Title: _____
Date: _____

STEPHEN MADOW



Stephen Madow
Date: _____

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SCHEDULE A

United States Patent No. 6,241,264