

04-16-2003

Form PTO-1595
(Rev. 10/02)

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OMB No. 0651-0027 (exp. 6/30/2005)

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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):
See attached "Conveying Parties"

4403

2. Name and address of receiving party(ies)

Name: Nordica, S.A.

Internal Address: _____

Additional name(s) of conveying party(ies) attached? ☒ Yes ☐ No

3. Nature of conveyance:

☐

Assignment

☐

Merger

☒

Security Agreement

☐

Change of Name

☐

Other _____

Street Address: Strambgata 3, Third Floor

600 Akureyri, Iceland

City: _____ State: _____ Zip: _____

Execution Date: 01/03/2003

Additional 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) 09/851,068;

10/119,496; 09/916,054; 09/511,470

B. Patent No.(s) 6,405,058 and

6,275,196

Additional numbers attached? ☐ Yes ☒ No5. Name and address of party to whom correspondence
concerning document should be mailed:

Name: David W. Pettis, Jr., Esq.

Internal Address: _____

DAVID W. PETTIS, JR., P.A.

Street Address: 501 E. Kennedy Blvd.,

Suite 700

City: Tampa State: FL Zip: 33602-5200

6. Total number of applications and patents involved: 6

7. Total fee (37 CFR 3.41).....\$ 240.00

☒

Enclosed

☐

Authorized to be charged to deposit account

8. Deposit account number: _____

DO NOT USE THIS SPACE

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240.00 DP

David W. Pettis, Jr., Esq.

Name of Person Signing

Signature

04/07/2003

Date

Total number of pages including cover sheet, attachments, and documents: 16

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231OFFICE OF PATENT RECORDS
2003 APR 14 AM 8:30
FINANCE SECTIONPATENT
REEL: 013943 FRAME: 0949

CONVEYING PARTIES

iDIGI NETWORKS, LLC, iDIGI ACCESS, LLC, iDIGI INTERNATIONAL, LLC, iDIGI LABS, LLC, iDIGI TECHNOLOGIES, INC., iDIGI COMMUNICATIONS, LLC, ISLAND LABS, LLC, CONNECTCOM MERCHANT GROUP, LLC, MOOERS & COMPANY, LLC, MOOERS & COMPANY, INC., MOOERS, BRANTON, FLESSNER & CO., INC. n/k/a MOOERS BRANTON & CO., INC., JTS ACQUISITIONS, LLC, RICHARD MOOERS, ROGER BRANTON, MARK BEMIS, PHILIP "CHIP" JACKSON, GERARD McHALE, individually, GERARD McHALE, P.A., JOSEPH BOBIER, NADEEM KAHN and MICKEY GREER

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") effective as of the 31 day of January, 2003, is made and entered into by and between, and iDigi Networks, LLC ("iDigi Networks"), iDigi Access, LLC ("iDigi Access"), iDigi International, LLC ("iDigi International"), iDigi Labs, LLC, f/k/a MCM Technologies, LLC ("iDigi Labs"), iDigi Technologies, LLC ("iDigi Technologies"), and iDigi Communications, LLC ("iDigi Communications") (collectively referred to as the "iDigi Companies"), and Island Labs, LLC ("Island Labs"), ConnectCom Merchant Group, LLC, Mooers & Company, LLC, n/k/a MB Merchant Group, LLC, Mooers & Company, Inc., a dissolved corporation, Mooers, Branton, Flessner & Co., Inc. n/k/a Mooers Branton & Co Flessner & Co., Inc. n/k/a Mooers Branton & Co., Inc., (collectively referred to as the "non-iDigi Companies"), JTS Acquisitions, LLC ("JTS," and the iDigi Companies, the non-iDigi Companies and JTS, collectively referred to as the "iDigi Group"), and Richard Mooers, Roger Branton, Mark Bemis, and Philip "Chip" Jackson (collectively, "iDigi Individuals") (the iDigi Group, and the iDigi Individuals, collectively referred to as the "iDigi Parties") and Gerard McHale, individually and Gerard McHale, P.A. (herein collectively "Receiver") (all of the above, collectively, "Debtor") and Nordica, S.A. ("Nordica") (hereinafter referred to as "Secured Party") (all parties hereto collectively, the "Parties):

WHEREAS, the Secured Party has agreed to accept certain payments over time, pursuant to that certain Settlement Agreement, by and among the Parties, dated January 24, 2003, (the "Settlement Agreement" the terms and conditions of which are hereby incorporated, and such payments, in total, the "Settlement Payment"); and

WHEREAS, in order to induce Secured Party to accept the Settlement Payment, Debtor has agreed to grant to Secured Party a security interest in certain items of collateral as set forth more fully in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. **Security Interest.** Debtor hereby grants to Secured Party a security interest (the "Security Interest") in all of those assets of the Debtor as more specifically described on Exhibit "A" hereto and in all attachments, additions, replacements, substitutions, and accessions and in all proceeds thereof in any form now existing, after acquired and hereafter arising (hereafter called "Collateral").

2. **Indebtedness secured.** This Agreement and the security interest created by it secures payment of the indebtedness of Debtor to Secured Party arising out of the Note between Debtor and Secured Party in the original principal amount of Five Million, Fifty Thousand Dollars (\$5,050,000) (hereinafter referred to as the "Indebtedness").

3. **Warranties.** Debtor hereby covenants and warrants that, at the execution hereof and at all times throughout the duration hereof:

(a) Debtor will join with Secured Party to file, wherever Secured Party deems appropriate, financing statements in the form and content reasonably required by Secured Party, describing the Collateral in the same manner as it is described herein. From time to time, but not more than once every 30 days, at the request of Secured Party, Debtor shall execute one or more financing statements and such other documents and do such other acts and things, all as Secured Party may reasonably request, to establish and maintain a valid, perfected security interest in the Collateral.

(b) As long as any Indebtedness is outstanding, Debtor will not (i) permit any superior liens, encumbrances or security interests other than Secured Party's security interest to attach to any of the Collateral; (ii) permit any of the Collateral to be levied upon under legal process; (iii) sell, transfer, license, or otherwise dispose of any of the Collateral or any interest therein, or offer so to do, without the prior written consent of Secured Party; (iv) permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded by this Agreement; or (v) permit the Collateral to be or become an accession to other goods or property.

(c) Upon reasonable notice, Secured Party may examine and inspect the Collateral at any reasonable time, wherever located. Debtor will pay promptly when due all taxes and assessments upon the Collateral. Secured Party agrees that it shall keep confidential, and not disclose to any third parties, any information or documentation it receives with respect to the Collateral, subject to any requirements by a court and/or at law.

4. **Insurance.** Debtor may, while it is indebted to Secured Party, keep the Collateral insured against loss, theft, and damage in accordance with normal industry practices. In such event, the insurance policy referred to above shall provide that loss thereunder and proceeds payable thereunder shall be payable to Secured Party as its interest may appear. The policy also shall provide that no act or default of Debtor shall affect the right of Secured Party to recover. Notwithstanding the foregoing, Debtor may use such proceeds to replace damaged or lost collateral and continue operation of Debtor's business so long as such Collateral is substituted for the lost security hereunder and if Secured Party agrees thereto in writing. In the event Debtor does not use such proceeds to replace lost or damaged Collateral, Secured party may apply any proceeds of the insurance received toward payment of the Indebtedness, whether due or not due, in such order of application as it may determine. In the event Debtor acquires such insurance, each policy shall provide for ten (10) days' written minimal cancellation notice to Secured Party. If Secured Party so requests, copies of the said policies shall be

deposited with Secured Party. Notwithstanding anything herein to the contrary, Secured Party acknowledges and agrees that nothing contained in this Agreement shall be construed as requiring Debtor to acquire such insurance. Debtor at all times will keep the Collateral in good condition and will not waste or destroy the Collateral or any part of it in accordance with normal industry practices.

5. **Default.** Debtor shall be in default under this Agreement upon the happening of any of the following events or conditions:

(a) failure or omission, after any applicable notice, grace, or other cure periods, to pay when due any Indebtedness of Debtor to Secured Party (or any installment thereof or interest thereon) or default in the payment or performance of any obligation, covenant, agreement or liability contained or referred to in this Agreement, or any other agreement among the Debtor and the Secured Party;

(b) a sale of any of the Collateral;

(c) the making of any levy, seizure, or attachment of, or encumbrance on any of the Collateral, which is not cured within thirty (30) days; or

(d) appointment of a receiver for all or any part of the Collateral, which is not cured within thirty (30) days.

6. **Secured Party's Rights and Remedies.** Upon the occurrence of any default (as set forth in paragraph 5 above) or at any time thereafter, Secured Party shall have and may exercise any and all rights and remedies set forth in the Settlement Agreement.

7. **Rights and Remedies of Debtor.** Debtor shall only have the rights and remedies provided in the Settlement Agreement.

8. **Fees and Costs.** The Parties agree that each Party, except for the Receiver, shall bear their own costs attorneys' fees incurred through the Effective Date of this Agreement. If a dispute arises between the Parties relative to the terms of this Agreement, the prevailing Party shall be entitled to recover their reasonable attorney fees and costs, whether or not incurred with or without the need for litigation, prior to trial, at trial, on appeal or in bankruptcy, insolvency or related proceedings and including the attorneys' fees incurred in disputes as to the amount of reasonable attorneys' fees and in the collection of any and all such fees and costs.

9. **Miscellaneous.**

(a) Debtor appoints Secured Party as Debtor's attorney-in-fact to execute any such financing statement or statements in Debtor's name and to perform all other acts which Secured Party deems appropriate to perfect and to continue perfection of the Security Interest.

(b) Upon Debtor's failure to perform any of its duties hereunder Secured Party may but it shall not be obligated to perform any of such duties and Debtor shall forthwith upon demand reimburse Secured party for any expense incurred by Secured Party in so doing.

(c) No delay or omission by Secured Party in exercising any right hereunder or with respect to any Indebtedness shall operate as a waiver of that or any other right, and no single or partial exercise of any right shall preclude Secured Party from any other or further exercise of any other right or remedy. Secured Party may cure any default by Debtor in any reasonable manner without waiving the default so cured and without waiving any other prior or subsequent default by Debtor.

(d) Secured Party shall have no obligation to take and Debtor shall have the sole responsibility for taking any steps to preserve rights against all prior parties. Debtor waives presentment for payment, notice of protest, notice of nonpayment (except as otherwise agreed by the parties or provided herein), notice of dishonor and protest of any instrument at any time held by Secured Party on which Debtor is in any way liable and, if waivable, waives notice of any other action taken by Secured Party.

(e) The rights and benefits of Secured party under this Agreement shall, if Secured Party agrees, inure to any party acquiring an interest in the Indebtedness or any part thereof.

(f) The terms "Secured Party" and "Debtor" as used in this Agreement include the heirs, personal representatives, and successors or assigns of those parties. The singular pronoun shall include the plural, and the neuter shall include the masculine and feminine.

(g) This Agreement may not be modified or amended nor shall any provision or if be waived except by a written instrument signed by Debtor and Secured party.

(h) This Security Agreement is a continuing agreement and shall survive any closing and shall remain in force until all of the Indebtedness together with all interest thereon shall be paid in full.

10. **Notices.** All notices under this Agreement shall be in writing and shall be given to the Parties and their counsel at the applicable addresses set forth below, either by hand delivery or facsimile transmission. Proper Notice to a Party's counsel shall

constitute proper Notice to such Party. Notice shall be effective the first business day following delivery, if by hand delivery, or following transmission, if by facsimile. Any Party may change its address at any time by written notice to all other Parties hereto, but notice otherwise properly given before such change is not invalidated by any such change.

If to LN/Nordica:

Kari Arnor Karason
Strandgata 3, 3rd Floor
600 Akureyri
Iceland
facsimile: 011-354-460-4501

With a copy to:

Steven M. Berman, Esquire
Catherine M. Norton Breman, Esquire
Berman & Norton Breman
A Professional Association
401 S. Florida Avenue, Suite 300
Tampa, Florida 33602
facsimile: 813-301-0045

If to iDigi Companies:

Roger G. Branton
Mooers, Branton & Company
1424 State Street
Sarasota, Florida 34236
facsimile: 941-954-8595

With a copy to:

Steven J. Chase, Esquire
Mark D. Hildreth, Esquire
Abel, Band, Russell, Collier, Pitchford & Gordon
240 S. Pineapple Ave, 10th Floor
Sarasota, Florida 34236
facsimile: 941-366-3999

If to Island, the non-iDigi Companies
and the iDigi Individuals:

Roger G. Branton
Mooers, Branton & Company
1424 State Street
Sarasota, Florida 34236
facsimile: 941-954-8595

With a copy to:

Theodore C. Eastmoore, Esquire
Martin Garcia, Esquire
1777 Main Street, Suite 500
Sarasota, Florida 34236
facsimile: 941-954-7777

If to JTS:

Roger G. Branton
JTS Acquisitions, Inc.
1424 State Street
Sarasota, Florida 34236
facsimile: 941-954-8595

With a copy to:

Steven J. Chase, Esquire
Mark D. Hildreth, Esquire
Abel, Band, Russell, Collier, Pitchford & Gordon
240 S. Pineapple Ave, 10th Floor
Sarasota, Florida 34236
facsimile: 941-366-3999

If to Receiver:

Gerard McHale
1601 Jackson Street, Suite 200
Ft. Myers, FL 33901
facsimile: 941-337-1178

With a copy to:

Michael Markham, Esquire
Johnson, Blakely, Pope, Bokor,
Ruppel & Burns, P.A.
911 Chestnut St.
Clearwater, FL 33756
facsimile: 727-441-8617

11. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of Florida. Whenever possible, each provision of this Agreement shall be interpreted to be effective and valid under applicable law. If any provision of this Agreement is prohibited by or invalid under applicable law, the provision shall be ineffective only to the extent of the prohibition or invalidity, without invalidating the remainder of the provision or the other remaining provisions of this Agreement.

12. **Retention of Jurisdiction and Venue.** Each Party hereto agrees to submit to personal jurisdiction of the courts of the State of Florida and the United States District Court, Middle District of Florida, Tampa Division, in connection with any action arising from or attributable to this Agreement or its enforcement and that continuing jurisdiction and venue for any such action shall exclusively rest in this Court. Moreover, the Parties agree that this Agreement is fully enforceable notwithstanding the fact that the Agreement contemplates the execution of additional documents together with court orders as referenced above. In the event the Parties are unable to agree to the final form of any documents contemplated by this Agreement, the matter will be submitted to the

Honorable Mark A. Pizzo for final resolution pursuant to Rule 70 of the Federal Rules of Civil Procedure and his decision shall be binding and not appealable.

13. **Counterparts; Facsimile Signatures.** This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall constitute one and the same agreement. The facsimile signatures of any party hereto shall be deemed to be an original signature of such party, valid and effective for all purposes.

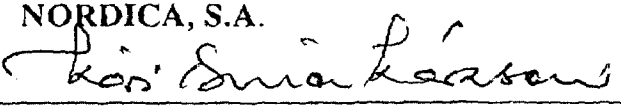
14. **Persons Bound.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns including any Chapter 7 or Chapter 11 Trustees appointed in any bankruptcy case. Whenever required by the context, the singular number shall include the plural, the plural the singular, and the use of any gender shall include any other gender as appropriate in the context.

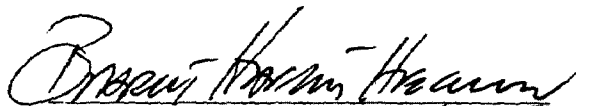
IN WITNESS WHEREOF, the undersigned have executed this Agreement on
the date set forth above.

NORDICA, S.A.


Print Name HARPA D. ROALST.

By:


Print Name KARI ARNOR KARASON


Print Name Einar H. Hraun

iDigi NETWORKS, LLC
iDigi ACCESS, LLC
iDigi INTERNATIONAL, LLC
iDigi LABS, LLC,
f/k/a MCM Technologies, LLC

iDigi TECHNOLOGIES, LLC
iDigi COMMUNICATIONS, LLC

Mary J. Balitz
Print Name Mary J. Balitz
Jim G. German
Print Name Jim G. German

By:

Richard L. Mooers, Mgr
Print Richard L. Mooers
Name _____

ISLAND LABS, LLC

Mary J. Balitz
Print Name Mary J. Balitz
Jim G. German
Print Name Jim G. German

By:

Richard L. Mooers, Mgr
Print Richard L. Mooers
Name _____

CONNECTCOM MECHANT GROUP,
LLC

Mary J. Balitz
Print Name Mary J. Balitz
Jim G. German
Print Name Jim G. German

By:

Richard L. Mooers, Mgr
Print Richard L. Mooers
Name _____

JTS ACQUISITIONS, LLC

Mary J. Balitz
Print Name Mary J. Balitz
Jim G. German
Print Name Jim G. German

By:

Richard L. Mooers, Mgr
Print Richard L. Mooers
Name _____

Print Name Jill G. Germain

MOOERS & COMPANY, LLC,
n/k/a MB Merchant Group, LLC,
MOOERS & COMPANY, INC., a
dissolved corporation,
MOOERS, BRANTON, FLESSNER &
CO., INC. n/k/a MOOERS, BRANTON
& CO., INC.

Mary J. Baletz By: Richard L. Mooers, Mgr./Pres
Print Name Mary J. Baletz Print
Name Richard L. Mooers

Jill G. Germain
Print Name Jill G. Germain

Mary J. Baletz Richard L. Mooers
Print Name Mary J. Baletz RICHARD L. MOOERS
Jill G. Germain
Print Name Jill G. Germain

Mary J. Baletz R. G. Branton
Print Name Mary J. Baletz ROGER G. BRANTON
Jill G. Germain
Print Name Jill G. Germain

Print Name _____ MARK BEMIS

Print Name _____

Nicole Schroder Philip "Chip" Jackson
Print Name Nicole Schroder PHILIP "CHIP" JACKSON

Print Name Will G. Germain

MOOERS & COMPANY, LLC,
n/k/a MB Merchant Group, LLC,
MOOERS & COMPANY, INC., a
dissolved corporation,
MOOERS, BRANTON, FLESSNER &
CO., INC. n/k/a MOOERS, BRANTON
& CO., INC.

Mary J. Baletz
Print Name Mary J. Baletz By: Richard L. Mooers, Mgr./Pres.
Print Name Richard L. Mooers

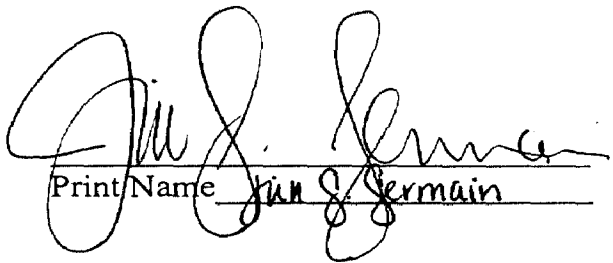
Will G. Germain
Print Name Will G. Germain

Mary J. Baletz
Print Name Mary J. Baletz Richard L. Mooers
Print Name Will G. Germain RICHARD L. MOOERS

Mary J. Baletz
Print Name Mary J. Baletz Roger G. Branton
Print Name Will G. Germain ROGER G. BRANTON
Auson L. Connors
Print Name AUSON L. CONNOR MARK BEMIS

Christine R. Smith
Print Name Christine Smith

Print Name _____ PHILIP "CHIP" JACKSON


Print Name John S. Germain

(as to
Phillip 'Chip' Jackson, pg. 9)

GERARD McHALE, P.A.

Print Name _____ By: _____
Print Name _____

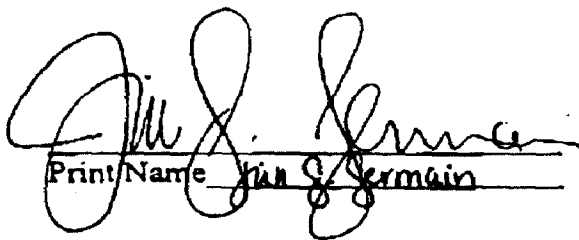
Print Name _____

Print Name _____

GERARD McHALE as Receiver

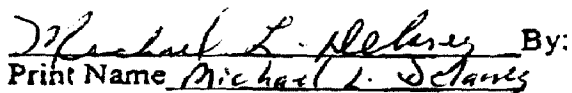
Print Name _____

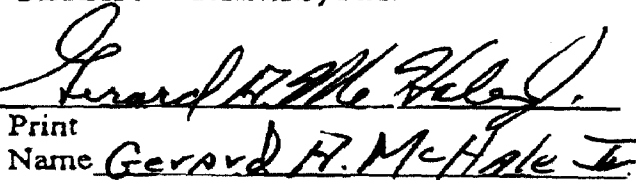
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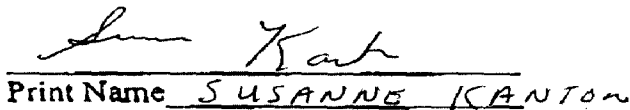

 Print Name John S. Germain

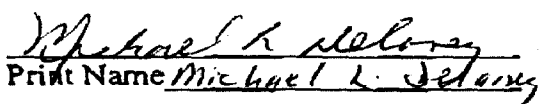
(as to Philip 'Chip' Jackson, pg. 9)

GERARD McHALE, P.A.


 Print Name Michael L. Delaney

By: 
 Print Name Gerard H. McHale Jr.


 Print Name SUSANNE KANTON


 Print Name Michael L. Delaney


 GERARD McHALE as Receiver

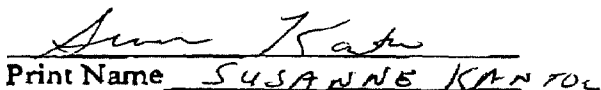

 Print Name SUSANNE KANTON

EXHIBIT “A”

DESCRIPTION OF TECHNOLOGY COLLATERAL

A. U. S. Letters Patent No. 6,405,058, for the invention titled WIRELESS HIGH-SPEED INTERNET ACCESS SYSTEM ALLOWING MULTIPLE RADIO BASE STATIONS IN CLOSE CONFINEMENT, which issued June 11, 2002;

B. U. S. Letters Patent No. 6,275,196, for the invention titled PARABOLIC HORN ANTENNA FOR WIRELESS HIGH-SPEED INTERNET ACCESS, which issued August 14, 2001;

C. U. S. pending patent application SN 09/851,068, for the invention titled RF SHIELDING DESIGN FOR WIRELESS HIGH SPEED INTERNET ACCESS SYSTEM, which was filed May 8, 2001;

D. U. S. pending patent application SN 10/119,496, for the invention titled ANTENNA SHIELDING, which was filed April 10, 2002;

E. U. S. pending patent application SN 09/916,054 for the invention titled SUPPRESSED CYCLE BASED CARRIER MODULATION USING AMPLITUDE MODULATION, which was filed July 26, 2001;

F. U.S. Patent Pending application SN 09/511,470, for the invention titled MISSING CYCLE BASED CARRIER MODULATION, which was filed February 23, 2000;

G. Any and all additional intellectual or other property, including trademarks and service marks, as well as additions, amendments, improvements and/or substitutions relating to the inventions described and identified in the above paragraphs and any and all equivalents thereto which may be granted on the same in the United States and all countries throughout the world including any divisions, renewals, continuations in whole or in part, substitutions, conversions, reissues, prolongations or extensions (the intellectual property described in paragraphs A through G, collectively, the "Existing Technology"); and

H. Any and all additional intellectual or other property, in addition to the Existing Technology, now owned or to be owned or developed, created for or by, or the rights to which have been acquired by, the iDigi Companies, Island Labs and/or JTS, up to the date that the Settlement Amount is timely paid in full, as well as additions, amendments, improvements and/or substitutions and any and all equivalents thereto which may be granted on the same in the United States and all countries throughout the world including any divisions, renewals, continuations in whole or in part, substitutions, conversions, reissues, prolongations or extensions, as well as any trademarks and service marks relating thereto.