

05-09-2003

Form PTO-1595

(Rev. 10/02)

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Tab settings

5-8-03 RECORD



102444332

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):

ESCREEN HOLDINGS, INC., a Delaware corp.;

ESCREEN, INC., a Kansas corp.

ESCREEN GENERAL PARTNERSHIP, a Delaware
limited liability companyAdditional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐

Assignment

☐

Merger

☒

Security Agreement

☐

Change of Name

☐

Other

03/13/2003

Execution Date:

2. Name and address of receiving party(ies)

Name: VINTAGE CAPITAL GROUP, L.L.C.

Internal Address:

Street Address: 11611 San Vicente Blvd.

10th Floor

City: Los Angeles State: CA Zip: 90049

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) 09/971,850;

09/971,855; 10/072,154; 10/224,233

B. Patent No.(s) 5,929,422; 5,902,982

6,036,092; 5,916,815; 6,342,183

6,514,461

Additional numbers attached? ☐ Yes ☒ No

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

Name: Scott R. Miller, Esq.

Internal Address: Riordan & McKinzie

Street Address: 300 South Grand Avenue

29th Floor

City: Los Angeles State: CA Zip: 90071

6. Total number of applications and patents involved: 10

7. Total fee (37 CFR 3.41).....\$ 400.00

☒

Enclosed

☐

Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

SCOTT R. MILLER, ESQ.

Name of Person Signing

Signature

5/5/03

Date

Total number of pages including cover sheet, attachments, and documents: 17

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

05/09/2003 TDI:Z1 00000021 09971850

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PATENT
REEL: 014033 FRAME: 0412

PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of March 13, 2003, is entered into by and between ESCREEN HOLDINGS, INC., a Delaware corporation (the "Company"), ESCREEN, INC., a Kansas corporation ("eScreen"), ESCREEN GENERAL PARTNERSHIP, a Kansas general partnership ("Partnership"), and VINTAGE CAPITAL GROUP, LLC, a Delaware limited liability company ("Secured Party"), as an inducement to Secured Party to enter into that certain Note and Warrant Purchase Agreement (the "Purchase Agreement") dated March 13, 2003, by and between the Company and Secured Party. The Company, eScreen and Partnership may be individually referred to herein as a "Company Party" and collectively referred to herein as the "Company Parties." Except as otherwise provided herein, terms defined in the Purchase Agreement shall have the same meanings when used herein.

RECITALS

A. The Company Parties have adopted, used and are using, and are the owners of the entire right, title, and interest in and to the patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, trade names, terms, designs and applications therefor goodwill and licenses described in Schedule A annexed hereto and made a part hereof.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company Parties and Secured Party hereby agree as follows:

1. SECURITY INTEREST

Each Company Party hereby grants to Secured Party a security interest in all of such Company Party's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively, the "Intellectual Property Collateral"):

(a) Patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications, if any, listed on Schedule A, attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");

(b) Trademarks, trademark registrations and/or applications and tradenames including, without limitation, the trademarks and applications, if any, listed on Schedule A attached hereto and made a part hereof, and any and all reissues and/or renewals thereof, and all

income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademark Collateral");

(c) Any license agreement in which such Company Party is or becomes licensed to use any patents and/or trademarks owned by a third party including, without limitation, the licenses, if any, listed on Schedule A attached hereto and made a part hereof (all of the foregoing are sometimes referred to herein individually and/or collectively as the "License Collateral");

(d) The goodwill of such Company Party's business connected with and symbolized by the Intellectual Property Collateral; and

(e) All cash and non-cash proceeds of the foregoing.

2. OBLIGATIONS SECURED

The security interests granted to Secured Party in this Agreement shall secure the prompt and indefeasible payment and performance of the Obligations (as defined in the Security Agreement).

3. WARRANTIES AND COVENANTS

Each Company Party hereby covenants, represents and warrants, jointly and severally, that (all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations (excluding any inchoate expense reimbursements or indemnification obligations) are outstanding):

(a) All of the existing Intellectual Property Collateral is valid and subsisting in full force and effect and the respective Company Party identified on Schedule A owns sole, full, and clear title thereto, (subject to potential third party prior rights in confusingly similar marks, of which the Company Parties are currently not aware) and has the right and power to grant the security interests granted hereunder. The Company Parties will, at the Company Parties' expense, perform all acts and execute all documents reasonably necessary to maintain the existence of the Intellectual Property Collateral as valid and subsisting and maintain the trademark registration, including, without limitation, the filing of any renewal affidavits and applications. The Intellectual Property Collateral is not subject to any Lien, except the security interest granted hereunder, the licenses, if any, which are specifically described in Schedule B hereto, non-exclusive licenses granted in the ordinary course of business and Permitted Liens.

(b) Other than Permitted Liens, no Company Party will assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or Lien upon, encumber, grant an exclusive or non-exclusive license relating to any of the Intellectual Property Collateral, except to Secured Party, or otherwise dispose of any of the Intellectual Property Collateral without the prior written consent of Secured Party.

(c) The Company Parties will, at the Company Parties' expense, perform all acts and execute all documents reasonably requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Intellectual Property Collateral granted hereunder or to otherwise further the provisions of this Agreement. The Company Parties hereby authorize Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Intellectual Property Collateral. The Company Parties further authorize Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office.

(d) Each Company Party will, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Power of Attorney in the form of Exhibit 1 annexed hereto for the implementation of the assignment, sale or other disposition of the Intellectual Property Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder. Secured Party agrees it will only exercise the Power of Attorney upon the occurrence and during the continuation of an Event of Default under the Purchase Agreement.

(e) Secured Party may, in its sole discretion, pay any amount or do any act which the Company Parties fail to pay or do as required hereunder or as reasonably requested by Secured Party to maintain and preserve the Intellectual Property Collateral, defend, protect, record, amend or enforce the Obligations, the Intellectual Property Collateral, or the security interest granted hereunder including but not limited to, the payment of all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. The Company Parties will be jointly and severally liable to Secured Party for any such payment, which payment shall be deemed a borrowing by the Company Parties from the Secured Party, and shall be payable on demand together with interest at the rate set forth in the Note and shall be part of the Obligations secured hereby.

(f) As of the date hereof, no Company Party has any Trademark Collateral or Patent Collateral registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States other than those described in Schedule A hereto.

(g) The Company Parties shall notify Secured Party in writing of the filing of any application for the registration of Trademark Collateral or Patent Collateral with the United States Patent and Trademark Office or any similar office or agency in the United States or any state therein within fifteen (15) days of such filing. Upon request of Secured Party, the Company Parties shall execute and deliver to Secured Party any and all amendments to this Agreement as may be reasonably requested by Secured Party to evidence the security interests of Secured Party in such Trademark Collateral or Patent Collateral.

(h) No Company Party has abandoned any of the Trademark Collateral or Patent Collateral material to the conduct of the business and the Company Parties will not do any act, nor omit to do any act, whereby the Trademark Collateral or Patent Collateral material to the conduct of the business may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable. The Company Parties shall notify Secured Party immediately if the Company

Parties know or have reason to know of any reason why any application, registration, or recording of a material Trademark Collateral or Patent Collateral may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable.

(i) The Company Parties will take such actions in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country as are reasonably necessary to maintain such application and registration of the material Trademark Collateral or Patent Collateral as the respective Company Party's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(j) The Company Parties will promptly notify Secured Party if the Company Parties (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any material Trademark Collateral or Patent Collateral or of any use by any person of any other process or product which infringes upon any material Trademark Collateral or Patent Collateral. The Company Parties, at the Company Parties' expense, shall take such action as is necessary for the protection of Secured Party's interest in and to the Trademarks.

(k) The Company Parties will maintain the quality of the services associated with the Trademark Collateral at a level consistent with the quality at the time of this Agreement.

4. RIGHTS AND REMEDIES

Upon the occurrence and during the continuance of an Event of Default under the Purchase Agreement, Secured Party shall have the following rights and remedies, in addition to all other rights and remedies existing at law, in equity, or by statute or provided in the Investment Documents (as such term is defined in the Security Agreement), which may be exercised without notice to, or consent by, the Company Parties, except as such notice or consent is expressly provided for hereunder:

(a) Secured Party may make use of any Trademark Collateral for the sale of goods or rendering of services in connection with enforcing any other security interest granted to Secured Party by the Company Parties or any subsidiary of the Company Parties.

(b) Secured Party may grant such license or licenses relating to the Intellectual Property Collateral for such term or terms, on such conditions, and in such manner as Secured Party shall deem reasonably appropriate, except that Secured Party agrees to provide the Company Parties with ten (10) days' prior written notice of any proposed license of the Intellectual Property Collateral. Such license or licenses may be general, special, or otherwise and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell, or otherwise dispose of the Intellectual Property Collateral or any part thereof, either with or without special conditions or stipulations, except that Secured Party agrees to provide the Company Parties with ten (10) days' prior written notice of any proposed disposition of the Intellectual Property Collateral. Secured Party shall

have the power to buy the Intellectual Property Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in Secured Party's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, the Company Parties shall be jointly and severally liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Intellectual Property Collateral pursuant to Section 4(c) hereof, Secured Party may at any time execute and deliver on behalf of the Company Parties, pursuant to the authority granted in the Powers of Attorney described in Section 3(d) hereof, one or more instruments of assignment of the Trademark Collateral (or any application, registration, or recording relating thereto), in form suitable for filing, recording or registration. Each Company Party agrees to pay Secured Party on demand all costs incurred in any such transfer of the Intellectual Property Collateral, including, but not limited to, any taxes, fees, and reasonable attorneys' fees.

(e) Secured Party may apply the proceeds actually received from any such license, assignment, sale or other disposition of Intellectual Property Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its sole discretion determine. The Company Parties shall remain jointly and severally liable to Secured Party for any expenses or Obligations remaining unpaid after the application of such proceeds, and the Company Parties will pay Secured Party on demand any such unpaid amount, together with interest at the Default Rate set forth in the Note.

(f) In the event that any such license, assignment, sale or disposition of the Intellectual Property Collateral (or any part thereof) is made after the occurrence and during the continuance of an Event of Default, the Company Parties shall supply to Secured Party or Secured Party's designee the Company Parties' knowledge and expertise relating to the sale of the products and services bearing the Trademark Collateral and the Company Parties' customer lists and other records relating to the Trademark Collateral and the distribution thereof.

Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, the Investment Documents, this Agreement, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

5. NOTICES

All notices or demands by any party hereto shall be in writing and shall be sent as provided in the Purchase Agreement.

6. INDEMNIFICATION

The Company Parties shall jointly and severally indemnify Secured Party for any and all claims and liabilities, and for damages which may be awarded or incurred by Secured Party, and

for all reasonable attorney fees, legal expenses, and other out-of-pocket expenses incurred in defending such claims, arising from or related in any manner to the negotiation, execution, or performance by Secured Party of this Agreement, but excluding any such claims based upon breach or default by Secured Party or gross negligence or willful misconduct of Secured Party.

7. TERMINATION

Upon the full and final payment in cash of the Obligations (excluding any inchoate expense reimbursements or indemnification obligations) to Secured Party and the termination of all commitments of Secured Party to extend credit to the Company, Secured Party shall promptly terminate and release its security interest in the Intellectual Property Collateral, execute and deliver any necessary financing statement terminations or releases, and return to the Company Parties any Intellectual Property Collateral that was in the possession of Secured Party, provided that, with respect to any loss or damage that Secured Party may incur as a result of dishonored checks or other items of payment received by Secured Party and applied to the Obligations to Secured Party, Secured Party, shall, at its option, (a) have received a written agreement, executed by the Company Parties (as required by Secured Party in its sole discretion) and by any person whose loans or other advances to the Company Parties are used in whole or in part to satisfy the Obligations to Secured Party, indemnifying Secured Party from any such loss or damage; or (b) have retained such monetary reserves or Liens on the Intellectual Property Collateral for such period of time as Secured Party, in its reasonable discretion, may deem necessary to protect Secured Party from any such loss or damage. All reasonable expenses incurred by Secured Party in connection with the termination of the security interests granted to Secured Party in connection with this Security Agreement shall be the sole expense of the Company Parties.

8. REINSTATEMENT

Notwithstanding anything to the contrary herein contained, this Agreement and the security interest provided for herein shall continue to be effective or be reinstated, as the case may be, if at any time any payment, or any part thereof, of any or all of the Obligations is rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be restored or returned by Secured Party in connection with any bankruptcy, reorganization or similar proceeding involving any Company Party, any other party liable with respect to the Obligations or otherwise, if the proceeds of any Intellectual Property Collateral are required to be returned by Secured Party under any such circumstances, or if Secured Party elects to return any such payment or proceeds or any part thereof in its sole discretion, all as though such payment had not been made or such proceeds not been received.

9. MISCELLANEOUS

(a) Any failure or delay by Secured Party to require strict performance by the Company Parties of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party's right to demand strict compliance and performance therewith, and any waiver of any Event of Default shall not waive or affect any other Event of Default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have

been waived by any act or knowledge of Secured Party, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to the Company Parties, specifying such waiver.

(b) This Agreement is made for the sole and exclusive benefit of the Company Parties and Secured Party and is not intended to benefit any third party. No such third party may claim any right or benefit or seek to enforce any term or provision of this Agreement.

(c) Secured Party and its officers, directors, employees, representatives, agents, and attorneys, shall not be liable to the Company Parties for incidental or consequential damages arising from or relating to any breach of contract, tort, or other wrong in connection with or relating to this Agreement or the Intellectual Property Collateral.

(d) In the event any term or provision of this Agreement conflicts with any term or provision of the Purchase Agreement, the term or provision of the Purchase Agreement shall control.

(e) IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE (WITHOUT REGARD TO THE CHOICE OF LAW OR CONFLICTS OF LAW PROVISIONS THEREOF) AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

(f) EACH COMPANY PARTY AND SECURED PARTY HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH COMPANY PARTY AND SECURED PARTY REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(g) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction only, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(h) All references in this Agreement to the singular shall be deemed to include the plural if the context so requires and vice versa. References in the collective or conjunctive shall also include the disjunctive unless the context otherwise clearly requires a different interpretation.

(i) Two or more duplicate originals of this Agreement may be signed by the parties, each duplicate of which shall be an original but all of which shall constitute one and the same Agreement. Facsimile signatures delivered hereunder shall be deemed original signatures.

(j) All agreements, representations, warranties and covenants made by the Company Parties shall survive the execution and delivery of this Agreement, the filing and consummation of any bankruptcy proceedings, and shall continue in effect so long as any obligation to Secured Party contemplated by this Agreement is outstanding and unpaid, notwithstanding any termination of this Agreement. All agreements, representations, warranties and covenants in this Agreement shall bind the party making the same and its heirs and successors, and shall be to the benefit of and be enforceable by each party for whom made and their respective heirs, successors and assigns.

(k) This Agreement, together with the Investment Documents, constitutes the entire agreement between the Company Parties and Secured Party as to the subject matter hereof and may not be altered or amended except by written agreement signed by the Company Parties and Secured Party. All other prior and contemporaneous agreements, arrangements, and understandings between the parties hereto as to the subject matter hereof are, except as otherwise expressly provided herein, rescinded.

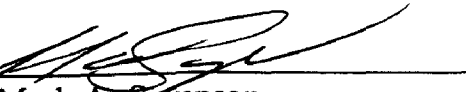
(l) AS PART OF THE CONSIDERATION FOR NEW VALUE RECEIVED, AND REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF ANY COMPANY PARTY OR SECURED PARTY, EACH COMPANY PARTY HEREBY CONSENTS AND AGREES THAT THE STATE COURTS OF CALIFORNIA, OR, AT SECURED PARTY'S OPTION, THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN THE COMPANY PARTIES ON THE ONE HAND AND SECURED PARTY ON THE OTHER HAND PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT. EACH COMPANY PARTY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND THE COMPANY HEREBY WAIVES ANY OBJECTION WHICH THE COMPANY MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS. EACH COMPANY PARTY HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINT AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO SUCH COMPANY PARTY AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF SUCH COMPANY PARTY'S ACTUAL RECEIPT THEREOF OR THE NEXT BUSINESS DAY IF SENT BY A NATIONALLY RECOGNIZED COURIER FOR NEXT BUSINESS DAY DELIVERY. NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO AFFECT THE RIGHT OF SECURED PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW, OR TO PRECLUDE THE ENFORCEMENT BY SECURED PARTY OF ANY JUDGMENT OR ORDER OBTAINED IN SUCH FORUM OR

THE TAKING OF ANY ACTION UNDER THIS AGREEMENT TO ENFORCE SAME IN
ANY OTHER APPROPRIATE FORUM OR JURISDICTION.

IN WITNESS WHEREOF, the Company Parties and Secured Party have executed this Agreement as of the date first written above.

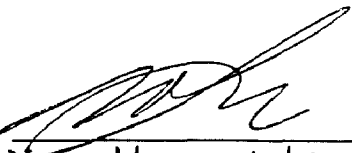
SECURED PARTY:

VINTAGE CAPITAL GROUP, LLC,
a Delaware limited liability company

By: 
Mark A. Sampson
Managing Director

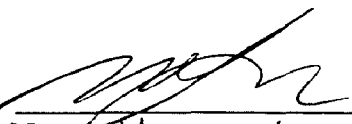
THE COMPANY:

ESCREEN HOLDINGS, INC.,
a Delaware corporation

By: 
Name: Murray Lappe
Title: Chairman

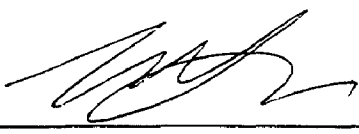
eSCREEN:

ESCREEN, INC.,
a Kansas corporation

By: 
Name: Murray Lappe
Title: Chairman

PARTNERSHIP:

ESCREEN GENERAL PARTNERSHIP,
a Kansas general partnership

By: 
Name: Murray Lappe
Title: Chairman & Chief Executive Officer

SCHEDULE A
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Patents

Patent No.	5,929,422	issued 6/27/99
Patent No.	5,902,982	issued 5/11/99
Patent No.	6,036,092	issued 3/14/00
Patent No.	5,916,815	issued 6/29/99
Patent No.	6,342,183	issued 1/29/02
Patent No.	6,514,461	issued 2/4/03

Patent Applications

Application No.	09/971,850	Filed 10/4/01
Application No.	09/971,855	Filed 10/4/01
Application No.	10/072,154	Filed 2/6/02
Application No.	10/224,233	Filed 8/19/02

Trademarks

eReader, Registration No. 2448491
eScreen, Registration No. 2503215

Trademark Applications

eCup	Application No.	78/191,406
mCup	Application No.	78/203,941
mCheck	Application No.	78/203,942
eChain	Application No.	78/203,943
eScreen123	Application No.	78/203,944
myeScreen	Application No.	78/203,945

SCHEDULE B
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Licenses of Patent and Trademarks

As of the date of this agreement, there are no licenses outstanding on any eScreen intellectual property, with the exception of approved-use trademark provisions in our client agreements