

Form PTO-1595 (Rev. 03/05)
OMB No. 0651-0027 (exp. 6/30/2005)

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

RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)

International Decision Systems, Inc.

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

2. Name and address of receiving party(ies)

Name: The Govener and Company of the Bank of Scotland

Internal Address: _____

Street Address: 155 Bishopsgate

City: London EC2M 3YB

State: _____

Country: England Zip: _____

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance/Execution Date(s):

Execution Date(s) October 8, 2004

- Assignment Merger
- Security Agreement Change of Name
- Joint Research Agreement
- Government Interest Assignment
- Executive Order 9424, Confirmatory License
- Other Collateral Agreement

4. Application or patent number(s):

A. Patent Application No.(s)

Please see attached Schedule A

This document is being filed together with a new application.

B. Patent No.(s)

Additional numbers attached? Yes No

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

Name: Kimberly B. Herman, Esq.

Internal Address: _____

Street Address: Sullivan & Worcester LLP

One Post Office Square

City: Boston

State: MA Zip: 02109

Phone Number: 617-338-2943

Fax Number: 617-338-2880

Email Address: _____

6. Total number of applications and patents involved:

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 120.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed
- None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 500751

Authorized User Name Kimberly B. Herman

9. Signature:

Kimberly B Herman
Signature

April 8, 2005
Date

Kimberly B. Herman
Name of Person Signing

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

17

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

CH \$120.00 500751 09896237

SCHEDULE A

1. The Debtor owns the following issued Patents: N/A

2. The Debtor filed the following applications for patents with the United States Patent and Trademark Office:

<u>Application No.</u>	<u>Title</u>	<u>Date Filed</u>
09/896237	Accounting Engine for a Lease Transaction Management and Accounting System	06/29/2001
09/896263	Asset-based Lease Transaction Management and Accounting System	06/29/2001
09/896026	Lease Transaction Management and Accounting System	06/29/2001

3. The Debtor filed the following applications for foreign patents: N/A

PATENT COLLATERAL AGREEMENT

THIS PATENT COLLATERAL AGREEMENT (this "Agreement") dated as of October 8, 2004 made by INTERNATIONAL DECISION SYSTEMS, INC., a Delaware corporation (the "Debtor"), and THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND, (i) as agent (in such capacity, and including its successors and assigns in such capacity, the "Term Agent") for the financial institutions (the "Term Banks") from time to time party to the Loan Agreement of even date herewith among IDS Group, Inc., a Delaware corporation ("Parent"), the Term Banks and the Term Agent (said loan agreement, as amended, supplemented or otherwise modified from time to time, the "Term Loan Agreement"), (ii) as agent (in such capacity, and including its successors and assigns in such capacity, the "UK Agent") for the financial institutions (the "UK Banks") from time to time party to the Working Capital Facility (UK) (as defined in the Term Loan Agreement), and (iii) as agent (in such capacity, and including its successors and assigns in such capacity, the "US Agent") for the financial institutions (the "US Banks") from time to time party to the Working Capital Facility (US) (as defined in the Term Loan Agreement). Unless otherwise specified herein: (i) references to "Agent" and "Secured Party" are to the Term Agent, the UK Agent and the US Agent, collectively as well as individually, and (ii) references to "Banks" are to the Term Banks, the UK Banks and the US Banks, collectively as well as individually.

WITNESSETH:

WHEREAS, Debtor (as borrower), the US Banks (as lenders) and the US Agent are parties to Working Capital Facility (US);

WHEREAS, Debtor has guaranteed, pursuant to the IDS-US Guaranty, the obligations from time to time of members of the Consolidated Group to the Agent and the Banks (including without limitation the obligations of Parent under the Term Loan Agreement and the obligations of IDS-UK under the Working Capital Facility (UK));

WHEREAS, it is intended hereby that all obligations of the Debtor under the Working Capital Facility (US) and the IDS-US Guaranty, and all other amounts from time to time owing by the Debtor to the Secured Party or any of the Banks, be secured by all of the assets of the Debtor (including, without limitation, the intellectual property assets of the Debtor); and

WHEREAS, this Agreement is supplemental to that certain Security Agreement by and between the Debtor and the Secured Party dated as of the date hereof (as the same may be amended, supplemented or otherwise modified from time to time, the "Security Agreement");

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Capitalized terms used herein without definition (by cross-reference or otherwise) shall have the meanings provided for such terms (by cross-reference or otherwise) in the Term

Loan Agreement. In addition, as used herein, the following capitalized terms shall have the following meanings:

“NYUCC” means the Uniform Commercial Code of the State of New York (as currently in effect and as the same may from time to time hereafter be amended).

“Secured Obligations” means all of the indebtedness, obligations and liabilities of the Debtor to the Secured Party (in whatever capacity) and to the Banks or any of them, in each case individually or collectively and whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising, pursuant to one or more of the Loan Documents or one or more of the Other Loan Documents.

“UCC” (unless explicitly stated to refer to the Uniform Commercial Code of a state other than the State of New York) means the NYUCC.

2. To secure the payment and performance in full of all Secured Obligations, the Debtor hereby grants, assigns, transfers and conveys to Secured Party, BY WAY OF COLLATERAL SECURITY, the Debtor's right, title and interest in and to the patent applications and patents listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), including without limitation the right (but not the obligation) to sue and recover for past, present and future infringements in the name of the Debtor or (in the sole discretion of Secured Party) Secured Party, the right (but not the obligation) to prosecute applications for patents, all rights (but not obligations) corresponding thereto throughout the world, all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, all rights and interests (but not obligations) pursuant to licensing or other agreements in favor of the Debtor pertaining to patent applications and patents now or in the future owned or used by third parties, and all proceeds of any of the foregoing (such as, by way of example, license royalties and proceeds of infringement suits) (collectively called the “Patents”). THE SECURED PARTY ASSUMES NO LIABILITY ARISING IN ANY WAY BY REASON OF ITS HOLDING SUCH COLLATERAL SECURITY EXCEPT FOR ITS GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT.

Notwithstanding the foregoing, the payment and performance of the Secured Obligations shall not be secured by:

(a) any license that validly prohibits the assignment by the Debtor or the creation by the Debtor of a security interest in such license (or in any rights or property obtained by the Debtor under such license); provided, however, that the provisions of this subparagraph shall not prohibit the assignments or the security interests created by this Agreement from extending to the proceeds of such license (or such rights or property) or to the monetary value of the goodwill and other general intangibles of the Debtor relating thereto; or

(b) any rights or property to the extent that any valid and enforceable law or regulation applicable to such rights or property prohibits the assignment or the creation of a security interest therein; provided, however, that the provisions of this subparagraph shall not prohibit the assignments or the security interests created by this Agreement from

extending to the proceeds of such rights or property or to the monetary value of the goodwill and other general intangibles of the Debtor relating thereto.

3. Without limiting any representation, warranty or covenant contained in the Term Loan Agreement or any other Loan Document or Other Loan Document, the Debtor represents, warrants and covenants that, except as set forth on Schedule B:

- (a) Schedule A sets forth a true and complete list of all rights to patents and patent applications now owned, licensed, controlled or used by the Debtor;
- (b) The issued Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the issued Patents;
- (c) To the best of the Debtor's knowledge, each of the issued Patents is valid and enforceable;
- (d) To the best of the Debtor's knowledge, there is no infringement by others of the issued Patents;
- (e) No claim has been made that the use of any of the Patents does or may violate the rights of any third person, and to the best of the Debtor's knowledge there is no infringement by the Debtor of the patent rights of others;
- (f) The Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents (other than ownership and other rights reserved by third party owners with respect to Patents which the Debtor is licensed to practice or use), free and clear of any Liens and adverse claims (including without limitation, pledges, assignments, licenses, shop rights and covenants by the Debtor not to sue third persons), other than Permitted Liens;
- (g) The Debtor has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees to the extent necessary to comply with the covenants herein contained;
- (h) This Agreement will create in favor of Secured Party a valid and perfected security interest in the Patents upon making the filings referred to in subsection (i) below:
and
- (i) Except for the filing of UCC financing statements with the Secretary of State of Delaware, and the filing with the PTO (as defined and referred to below), no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either, (x) for the grant by the Debtor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Agreement by the Debtor, or (y) for the perfection of or the exercise by Secured Party of any of its rights and remedies hereunder. The Debtor acknowledges that an executed counterpart of this Agreement will

also be recorded by Secured Party with the U.S. Patent and Trademark office (the "PTO").

4. The Debtor will not enter into any agreement that would violate or cause the Debtor to violate the terms of this Agreement or constitute a default under the Term Loan Agreement or any other Loan Document or Other Loan Document.

5. If, before the Secured Obligations shall have been indefeasibly paid and satisfied in full, the Debtor shall obtain any right, title or interest in or to any other or new patents, patent applications or patentable inventions, 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 this Agreement shall automatically apply thereto and the Debtor shall promptly give to Secured Party notice thereof in writing and execute and deliver to Secured Party such documents or instruments as Secured Party may reasonably request further to transfer title thereto to Secured Party as collateral security.

6. With notice thereof to the Debtor, the Debtor authorizes Secured Party to modify this Agreement, without the necessity of the Debtor's further approval or signature, by amending Schedule A to include any future patents and patent applications which are Patents under Section 1 or Section 5 hereof.

7. The Debtor shall assume full and complete responsibility for the prosecution, grant, enforcement or any other necessary or desirable actions in connection with the Patents, in the Debtor's reasonable business judgment, and shall hold Secured Party and each Bank harmless from any and all costs, damages, liabilities and expenses which may be incurred by Secured Party or any Bank as a result of or in connection with the Patents or any other action or failure to act in connection with this Agreement or the transactions contemplated thereby, except for Secured Party's gross negligence or intentional misconduct.

8. The Debtor shall, in the exercise of its reasonable business judgment, prosecute diligently any patent applications of the Patents pending as of the date of this Agreement or thereafter, to make application for unpatented but reasonably patentable inventions and preserve and maintain all rights in the Patents, including without limitation the payment when due of all maintenance fees and other fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of the Patents. Any expenses incurred in connection with such applications and actions shall be borne by the Debtor. Secured Party hereby appoints the Debtor as its agent for all matters referred to in the foregoing provisions of this Section 8 and agrees to execute any documents reasonably necessary to confirm such appointment. Upon the occurrence of an Event of Default, Secured Party may terminate such agency by providing written notice of termination to the Debtor.

9. The Debtor shall have the right to bring suit or other action in the Debtor's own name to enforce the Patents and any licenses thereof. Secured Party may (but shall not be required) to join in any such suit or proceeding, provided that, with respect to any such joinder, the Secured Party shall have received indemnities satisfactory to it in its sole discretion such that it will not have any risk or liability for which it would not be indemnified in full. The Debtor

shall promptly, upon demand, reimburse and indemnify Secured Party for all damages, costs and expenses, including reasonable legal fees, incurred by Secured Party pursuant to this Section 9.

10. In general, the Debtor shall take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate in the Debtor's reasonable business judgment to properly maintain, protect, preserve, care for and enforce the Patents. The Debtor shall not take or fail to take any reasonable action, nor permit any reasonable action to be taken or not taken by others under its control, which would materially affect the validity, grant or enforcement of the Patents.

11. Promptly upon obtaining knowledge thereof, the Debtor will notify Secured Party in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the patents or the Debtor's rights, title or interests in and to the Patents, and of any event which does or reasonably could materially adversely affect the value of any of the Patents, the ability of the Debtor or Secured Party to dispose of any of the Patents or the rights and remedies of Secured Party in relation thereto (including but not limited to the levy of any legal process against any of the Patents).

12. Except as otherwise permitted herein or in the Security Agreement or Term Loan Agreement, without Secured Party's prior written approval, the Debtor shall not mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Patents.

13. Unless and until there shall have occurred and be continuing an Event of Default and Secured Party has notified the Debtor that the license granted hereunder is terminated, Secured Party hereby grants to the Debtor the sole and exclusive, nontransferable, royalty-free, worldwide right and license under the Patents to make, have made for it, use, sell and otherwise practice the inventions disclosed and claimed in the Patents for the Debtor's benefit and account; provided, however, that the foregoing right and license shall be no greater in scope than, and limited by, the rights assigned to Secured Party by the Debtor hereby. The Debtor agrees not to sell, assign or sublicense its interest in the license granted to the Debtor in this Section 13, without the prior written consent of Secured Party, which shall not be unreasonably withheld. Any such sublicense granted on or after the date hereof shall be terminable by Secured Party upon termination of the Debtor's license hereunder, and the Debtor shall include a provision to such effect in any such sublicense.

14. If any Event of Default shall have occurred and be continuing, then upon notice by Secured Party to the Debtor: the Debtor's license with respect to the Patents as set forth in Section 13 shall terminate; the Debtor shall immediately cease and desist from the practice, manufacture, use and sale of the inventions claimed, disclosed or covered by the Patents; and Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, the Security Agreement and the other Loan Documents and Other Loan Documents and the other agreements, documents and instruments related thereto, those allowed by law and the rights and remedies of a secured party under the UCC from time to time and without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance

and without other notice (except as set forth next below) or demand whatsoever to the Debtor, all of which are hereby expressly waived, and without advertisement, sell or license at public or private sale or otherwise in a commercially reasonable manner realize upon the whole or from time to time any part of the Patents, or any interest which the Debtor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Secured Obligations as set forth in Section 15. Notice of any sale, license or other disposition of the Patents shall be given to the Debtor at least five (5) Business Days before the time that any intended public sale or other disposition of the Patents is to be made or after which any private sale or other disposition of any of the Patents may be made, which the Debtor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or disposition, Secured Party may, to the extent permitted under applicable law, purchase or license the whole or any part of the Patents or interests therein sold or licensed.

15. The costs, fees and expenses of Secured Party in preserving or enforcing its rights hereunder and all other claims hereunder of Secured Party to reimbursement and indemnification from the Debtor shall constitute a just claim on the Patents and be entitled to priority over all other obligations in respect of all distributions of any proceeds of collection, sale, license or other disposition of any portion of the Patents. Except as otherwise provided in this Section 15, Secured Party shall apply the residue of any proceeds of collection, sale, license or other disposition of the Patents pursuant to the provisions of the Security Agreement with any excess to be paid over to the Debtor.

16. If any Event of Default shall have occurred and be continuing, the Debtor hereby constitutes and appoints Secured Party (and any officer or agent of Secured Party as Secured Party may select in its exclusive discretion) as the Debtor's true and lawful attorney-in-fact, with the power to endorse the Debtor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Patents, to practice, make, use or sell the inventions disclosed or claimed in the Patents, to grant or issue any exclusive or nonexclusive license under the Patents to any third Person, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of the Patents or any part thereof or interest therein to any third Person (all to the extent legally or contractually permitted), and, in general, to execute and deliver any instruments or documents and do all other acts which the Debtor is obligated to execute and do hereunder. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, and releases Secured Party from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by Secured Party under this power of attorney (except for Secured Party's gross negligence or willful misconduct). This power of attorney shall be irrevocable for the duration of this Agreement.

17. At such time as the Security Agreement is terminated in accordance with the terms thereof and all of the Secured Obligations have been indefeasibly paid and satisfied in full and any obligation of any Bank under any Other Loan Agreement has been terminated in writing, Secured Party shall upon the written request of the Debtor and at the Debtor's expense, execute and deliver to the Debtor all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the Debtor (without any

representation or warranty by or any recourse to Secured Party whatsoever) the entire right, title and interest to the Patents previously granted, assigned, transferred and conveyed to Secured Party by the Debtor pursuant to this Agreement, as fully as if this Agreement had not been made, subject to any transactions or developments in or relating to the Patents during the term hereof and to any disposition of all or any part thereof which may have been made by Secured Party pursuant hereto or the Security Agreement.

18. Any and all 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 preparation of this Agreement and all other documents relating hereto and the consummation of the transactions contemplated hereby, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, shall be borne and paid by the Debtor on demand by Secured Party.

19. The Debtor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things, as Secured Party may reasonably request or as may be reasonably necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Agreement, or to assure and confirm to Secured Party the grant and perfection of a security interest in the Patents.

20. If the Debtor shall fail to do any material act which it has covenanted to do hereunder, or if any representation or warranty of the Debtor shall be breached, Secured Party, in its own name or that of the Debtor (in the sole discretion of Secured Party), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and any cost or expense incurred by Secured Party in so doing shall be added to the principal amount of the Secured Obligations and shall bear interest at the Post-Default Rate. The Debtor shall cooperate with Secured Party in any such act or remedy.

21. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, SECURED PARTY ASSUMES NO LIABILITIES OF THE DEBTOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE DEBTOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, THE PATENTS OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY BORNE BY THE DEBTOR.

22. All of Secured Party's rights and remedies with respect to Patents, whether established hereby or by the Security Agreement or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. This Agreement is supplemental to the Security Agreement, and nothing contained herein shall in any way derogate from any of the

rights or remedies of Secured Party contained therein. Nothing contained in this Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in the Patents granted to Secured Party under the Security Agreement.

23. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO CHOICE OF LAW DOCTRINE THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

24. THE DEBTOR HEREBY AGREES THAT ANY LEGAL ACTION OR PROCEEDING AGAINST THE DEBTOR WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK LOCATED IN NEW YORK CITY OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK OR ANY COURT IN ENGLAND AS THE SECURED PARTY MAY ELECT, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT THE DEBTOR ACCEPTS AND CONSENTS FOR ITSELF AND IN RESPECT TO ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS AND AGREES THAT SUCH JURISDICTION SHALL BE EXCLUSIVE, unless waived by the Secured Party in writing, with respect to any action or proceeding brought by the Debtor against the Secured Party, and further consents (to the extent permitted by applicable law) to the service of process in any such action or proceeding being made upon the Debtor by mail at the address stated alongside its name on the signature page hereof or at such other address as the Secured Party is notified of in accordance with Section 25(h) hereof. The Debtor agrees that Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York shall apply to this Agreement, the other Loan Documents and the Other Loan Documents and waives any right to stay or to dismiss any action or proceeding brought before said courts on the basis of forum non conveniens. The Debtor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court. Nothing herein shall limit the right of the Secured Party to bring proceedings against the Debtor in the courts of any other jurisdiction. The Debtor covenants that it is and will remain subject to service of process in the State of New York and in England so long as any of the Secured Obligations is outstanding. If for any reason the Debtor should not be or remain so qualified, the Debtor hereby designates and appoints, without power of revocation,

- (i) with respect to any and all legal actions in the United States relating to this Agreement, CT Corporation System, Inc., 111 Eighth Avenue, New York, New York,
- (ii) with respect to any and all legal actions in England relating to this Agreement, IDS-UK, Norton House, 1 Stewart Road, Basingstoke, Hampshire RG2488NF, United Kingdom.

as the agent of the Debtor upon whom may be served all process, pleadings, notices or other papers which may be served upon the Debtor as a result of any of its obligations under this

Agreement, the other Loan Documents or any Other Loan Document. Nothing herein shall affect the right of the Secured Party to serve process in any other manner permitted by law.

25.

(a) No delay on the part of the Secured Party in exercising any of its rights, remedies, powers and privileges hereunder or partial or single exercise thereof, shall constitute a waiver thereof. None of the terms and conditions of this Agreement may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Debtor and the Secured Party. No notice to or demand on the Debtor in any case shall entitle the Debtor to any other or further notice or demand in similar or other circumstances or constitute a waiver of any of the rights of the Secured Party to any other or further action in any circumstances without notice or demand.

(b) The obligations of the Debtor hereunder shall remain in full force and effect without regard to, and shall not be impaired by, (i) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of the Debtor; (ii) any exercise or non-exercise, or any waiver of, any right, remedy, power or privilege under or in respect of this Agreement, any of the other Loan Documents, any of the Other Loan Documents or any other agreement executed in connection with any of the foregoing whereby the Debtor has granted any Lien to the Secured Party or any other agreement executed in connection with any of the foregoing, the Secured Obligations or any security for any of the Secured Obligations; or (iii) any amendment to or modification of any of the foregoing; whether or not the Debtor shall have notice or knowledge of any of the foregoing. The rights and remedies of the Secured Party herein provided are cumulative and not exclusive of any rights or remedies which the Secured Party would otherwise have.

(c) All rights, remedies and powers provided by this Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and the provisions hereof are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable in whole or in part or not entitled to be recorded, registered or filed under the provisions of any applicable law.

(d) It is expressly agreed, anything herein, in the Loan Documents, the Other Loan Documents or in any other agreement or instrument executed by the Debtor in connection with any of the foregoing to the contrary notwithstanding, that the Debtor shall remain liable to perform all of the obligations, if any, assumed by it with respect to the Patents and the Secured Party shall not have any obligations or liabilities with respect to any Patents by reason of or arising out of this Agreement, nor shall the Secured Party be required or obligated in any manner to perform or fulfill any of the obligations of the Debtor under or pursuant to any or in respect of any Patents.

(e) This Agreement shall be binding upon the Debtor and its successors and assigns and shall inure to the benefit of the Secured Party and its successors and assigns,

except that the Debtor may not transfer or assign any of its obligations, rights or interest hereunder without the prior written consent of the Secured Party and any such purported assignment by the Debtor shall be void. All agreements, representations and warranties made herein shall survive the execution, delivery and performance of this Agreement.

(f) The descriptive headings of the several sections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement. No provision of this Agreement shall be waived, amended or supplemented except by a written instrument executed by the Debtor and the Secured Party.

(g) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, 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) Any notice or demand upon the Debtor pursuant to this Agreement, any other Loan Document or any of the Other Loan Documents shall be deemed to have been sufficiently given or served for all purposes thereof when mailed, postage prepaid, by registered or certified mail, return receipt requested, or when telegraphed, telecopied, telexed or sent by messenger or by Federal Express (or similar overnight express or courier service), to the Debtor at the address stated alongside its name on the signature page hereof or at such other address as the Debtor may designate in a writing delivered to the Secured Party, provided that in the case where the Secured Party is required to give only five Business Days' notice of a proposed sale of the Patents such notice shall not be deemed given until delivered to the chief executive office of the Debtor (or the latest such chief executive office of which the Secured Party has been notified in accordance with the provisions hereof). All notices to the Secured Party under this Agreement shall be deemed to have been given when delivered by mail, telegraph, telecopy, telex, messenger or Federal Express (or similar overnight express or courier service) to the Secured Party at the address stated alongside its name on the signature page hereof or at such other address as the Secured Party may designate in a writing delivered to the Debtor.

(i) This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which counterparts taken together shall be deemed to constitute one and the same instrument. Telecopied signatures hereto shall be of the same force and effect as an original of a manually signed copy.

26. Waiver of Jury Trial. EACH OF THE DEBTOR AND THE SECURED PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY OF THE OTHER DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF THE SECURED


PARTY, ANY BANK, THE DEBTOR OR ANY OTHER MEMBER OF THE CONSOLIDATED GROUP. Except as prohibited by law, the Debtor waives any other right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Debtor has caused this Agreement to be duly executed as of the date first above written.

INTERNATIONAL DECISION SYSTEMS, INC.

80 South Eighth Street
Minneapolis, Minnesota 55402
Telecopier No.: 612/851-3208

By 

Name: Michael Mehr
Title: Vice President - Finance & Administration

Accepted:
THE GOVERNOR AND COMPANY OF THE
BANK OF SCOTLAND

155 Bishopsgate
London EC2M 3YB
England
Telecopier No.: 0207 012 9459

By _____

Name:
Title:

[Signature page for Patent Collateral Agreement with International Decision Systems, Inc.]

IN WITNESS WHEREOF, the Debtor has caused this Agreement to be duly executed as of the date first above written.

INTERNATIONAL DECISION SYSTEMS, INC. 80 South Eighth Street
Minneapolis, Minnesota 55402
Telecopier No.: 612/851-3208

By _____
Name:
Title:

Accepted:
THE GOVERNOR AND COMPANY OF THE
BANK OF SCOTLAND

155 Bishopsgate
London EC2M 3YB
England
Telecopier No.: 0207 012 9459

By Loena Harding
Name: LOENA HARDING
Title: ASSOCIATE DIRECTOR

SCHEDULE B

None

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{B0332220; 1}

RECORDED: 04/08/2005

PATENT
REEL: 016037 FRAME: 0275