

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)**

Pulsar Telecommunications, Inc. (a/k/a Pulsar Communications, Inc.)

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

**2. Name and address of receiving party(ies)**

Name: EFO/Pulsar, L.P.

Internal Address: \_\_\_\_\_

Street Address: 2626 Cole Avenue, Suite 700

City: Dallas

State: Texas

Country: USA Zip: 75204

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

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

Execution Date(s) January 10, 2002

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

**4. Application or patent number(s):**

This document is being filed together with a new application.

A. Patent Application No.(s)

B. Patent No.(s)

6853714

Additional numbers attached?  Yes  No

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

Name: David H. Hitt

Internal Address: \_\_\_\_\_

Street Address: P.O. Box 832570

City: Richardson

State: Texas Zip: 75083

Phone Number: 972-480-8800

Fax Number: 972-480-8865

Email Address: docket@hittgaines.com

**6. Total number of applications and patents involved:** one

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40.00

- 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 08-2395

Authorized User Name David H. Hitt

**9. Signature:**

  
Signature

SEPTEMBER 23, 2005  
Date

David H. Hitt  
Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: **13**

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 \$40.00 082395 6853714

## SECURITY AGREEMENT

This Security Agreement ("Agreement") dated as of January 10, 2002, is made by and between Pulsar Telecommunications, Inc., a Texas corporation (a/k/a Pulsar Communications, Inc.) (the "Borrower"), and EFO / Pulsar, L.P., a Texas limited partnership (the "Lender").

### RECITALS:

A. The Borrower has executed and delivered to the Lender that certain Promissory Note of even date herewith made by the Borrower payable to the order of the Lender in the original principal amount of \$310,000 (the "Note").

B. The Note is delivered pursuant to that certain Credit Agreement between the Lender and the Borrower dated as of the date of this Agreement (the "Credit Agreement").

C. It is a condition precedent to the Lender's advancing of funds pursuant to the Note, the Credit Agreement and the other Loan Documents that the Borrower shall have granted the security interests contemplated by this Agreement.

D. All capitalized terms in this Agreement which are not defined, shall have the meaning ascribed to them in the Credit Agreement.

### AGREEMENT:

NOW, THEREFORE, in consideration of the premises and in order to induce the Lender to advance funds under the Note, the Credit Agreement and the other Loan Documents, the Borrower and Lender agree as follows:

Section 1. Grant of Security. The Borrower hereby assigns, pledges and grants to the Lender for its benefit a security interest in all of the Borrower's right, title and interest in and to the following (collectively, the "Collateral"):

(a) all United States and foreign patents, trademarks, trade names, service marks, copyrights, licenses, interests therein and applications therefor, now owned or hereafter acquired by the Borrower (collectively, the "IP");

(b) all associated rights, derivative rights, developments, designs, software, knowledge, data, information, and know-how attributable to, or arising from the IP;

(c) all common law trademarks, service marks and logos attributable to the IP;

(d) all other intellectual property, patents, trade secrets, trademarks, copyrights, concepts, ideas, work product and property rights of the Borrower;

(e) all license payments, royalty payments, sale proceeds and other payments, distributions and proceeds with respect to, arising from or attributable to the foregoing;

(f) all cash on hand, all accounts receivable owing to Borrower by any person or entity, and all security for payment thereof, and in and to all the proceeds, monies, income, instruments, securities, accounts, benefit, collections and products thereof and thereon and attributable or accruing thereto;

(g) all Borrower's interest in all equipment, inventory, materials, computer software and records, goods, and other personal property owned by the Borrower now or in the future, and all licenses and permits used or held for use in connection with such property;

(h) all of the Borrower's contract rights and other general intangibles relating to any of the Collateral, including all license agreements;

(i) all of the Borrower's interest in the proceeds of any sale or disposition of the Collateral, and in and to any and all money, documents, instruments, securities, or accounts owned or belonging to Borrower; and

(j) all books and records (including computer disks, tapes, printouts and other storage media) relating to any of the foregoing.

The Lender shall be deemed to have possession of any of the Collateral in transit to or set apart for it or any of its agents, affiliates or correspondents.

**Section 2. Security for Obligations.** This Agreement secures the payment and performance of all debts, liabilities and obligations of the Borrower to the Lender, fixed or contingent, joint or several, now existing or hereafter arising, including but not limited to all obligations of the Borrower now or hereafter existing under this Agreement, the Note, the Credit Agreement, the Loan Documents and any other agreement or document executed in connection with any of the foregoing (all such obligations and liabilities of the Borrower being the "Obligations").

**Section 3. The Borrower Remains Liable.** Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Lender of any of the rights hereunder shall not release the Borrower from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) the Lender shall have no obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Lender be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 4. Representations and Warranties. The Borrower represents and warrants as follows:

(a) The Borrower owns the Collateral free and clear of any lien, security interest, charge or encumbrance except for (i) the security interest created hereby in favor of the Lender, and (ii) the security interests previously created in favor of those persons listed on Exhibit "A" (the "Prior Lienholders"). No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is on file in any recording office, except such as may have been filed in favor of the Lender and the Prior Lienholders. The validity of the Collateral and Borrower's title thereto is not currently being questioned in any litigation or regulatory proceeding to which Borrower is a party, nor is any such litigation or proceeding threatened.

(b) Subject to the security interests of the Prior Lienholders, this Agreement creates a valid and perfected priority security interest in the Collateral, securing the payment of the Obligations, and all filings and other actions necessary or desirable to perfect and protect such security interest have been, or will upon request be, duly taken.

(c) No authorization, approval or other action by, and no notice to or other filing with, any governmental authority or regulatory body is required either (i) for the grant by the Borrower of the security interest granted hereby or for the execution, delivery or performance of this Agreement by the Borrower or (ii) for the perfection of or the exercise by the Lender of its rights and remedies hereunder (other than filing of financing statements).

Section 5. Further Assurances.

(a) The Borrower agrees that from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, and take all further action, that may be reasonably necessary or desirable, or that the Lender may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Lender to exercise and enforce rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, the Borrower will: (i) at the request of the Lender, mark conspicuously each document included in the Collateral and each of its records pertaining to the Collateral, with a legend, in form and substance satisfactory to the Lender, indicating that such document or Collateral is subject to the security interest granted hereby; (ii) after an Event of Default, transfer, register or otherwise put any of the Collateral in the name of the Lender or its nominee; and (iii) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Lender may request, in order to perfect and preserve the security interest granted or purported to be granted hereby.

(b) The Borrower hereby authorizes the Lender to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of the Borrower where permitted by law (provided that the Lender furnishes to the Borrower a copy of each such statement filed, promptly after the filing thereof). A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) The Borrower will furnish to the Lender from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Lender may reasonably request, all in reasonable detail.

**Section 6. Insurance.**

(a) The Borrower shall, at its own expense, maintain insurance with respect to the Collateral in such amounts, against such risks, in such form and with such insurers, as shall be reasonably satisfactory to the Lender from time to time. Each policy for property damage insurance shall provide for all losses to be paid on behalf of the Lender and the Borrower as their respective interests may appear. Each such policy shall in addition (i) contain the agreement (if available) by the insurer that any loss thereunder shall be payable to the Lender notwithstanding any action, inaction or breach of representation or warranty by the Borrower, (ii) provide that there shall be no recourse against the Lender for payment of premiums or other amounts with respect thereto, and (iii) provide that at least 10 days prior written notice of cancellation or of lapse shall be given to the Lender by the insurer. The Borrower shall, if so requested by the Lender, deliver to the Lender original or duplicate policies of such insurance and, as often as the Lender may reasonably request, a report of a reputable insurance broker selected by the Borrower with respect to such insurance. Further, the Borrower shall, at the request of the Lender, duly execute and deliver instruments of assignment of such insurance policies to comply with the requirements of Section 5 hereof and cause the respective insurers to acknowledge notice of such assignment.

(b) Reimbursement under any liability insurance maintained by the Borrower may be paid directly to the person who shall have incurred liability covered by such insurance.

(c) All insurance payments in respect of Collateral shall be paid to and applied by the Lender as specified in the Credit Agreement.

**Section 7. Transfers and Other Liens.** The Borrower shall not:

(a) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Collateral; or

(b) create or suffer to exist any lien upon or with respect to any of the Collateral to secure debt of any person, except for the security interest created by this Agreement and for the Prior Lienholders.

**Section 8. Lender Appointed Attorney-in-Fact.** The Borrower hereby irrevocably appoints the Lender the Borrower's attorney-in-fact, with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time in the Lender's discretion at any time after the occurrence of both (i) an Event of Default described in Section 11(a), and (ii) May 10, 2003, to take any action and to execute any instrument which the Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(a) to obtain and adjust insurance required to be paid to the Lender pursuant to Section 6;

(b) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(c) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (a) or (b) above; and

(d) to file any claims or take any action or institute any proceedings which the Lender may deem necessary or desirable to enforce the rights of the Lender with respect to any of the Collateral.

**Section 9. Lender May Perform.** If the Borrower fails to perform any agreement contained in this Agreement, the Lender may itself perform, or cause performance of, such agreement, and the expenses of the Lender incurred in connection therewith shall be payable by the Borrower under Section 12(b).

**Section 10. Lender's Duties.** The powers conferred on the Lender under this Agreement are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Lender shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

**Section 11. Events of Default.** Each of the following events constitutes an Event of Default under this Agreement:

(a) Borrower fails to pay any Obligation when due and payable, whether at a date for the payment of a fixed installment or as a contingent or other payment becomes due and payable or as a result of acceleration or otherwise;

(b) Any default or event of default occurs under any Loan Document and the same is not remedied within the applicable period of grace (if any) provided in such Loan Document;

(c) Borrower fails to duly observe, perform or comply with any covenant, agreement or provision of Section 6.4 or Article VII of the Credit Agreement;

(d) Borrower fails (other than as referred to in subsections (a), (b) or (c) above) to duly observe, perform or comply with any covenant, agreement, condition, or provision of any Loan Document, and such failure remains unremedied for a period of thirty (30) days after notice of such failure is given by Lender to Borrower;

(e) Any representation or warranty previously, presently or hereafter made in writing by or on behalf of Borrower in connection with any Loan Document shall prove to have been false or incorrect in any material respect on any date on or as of when made, or any Loan Document at any time ceases to be valid, binding and enforceable as warranted in Section 5.5 of the Credit Agreement for any reason other than its release or subordination by Lender;

(f) Borrower fails to duly observe, perform or comply with any agreement with Lender or any term or condition of any instrument, if such agreement or instrument is materially significant to Lender, and such failure is not remedied within the applicable period of grace (if any) provided in such agreement or instrument;

(g) Borrower (i) fails to pay any portion, when such portion is due, of any of its Indebtedness in excess of \$50,000 unless Borrower is contesting the validity of such Indebtedness by appropriate proceedings and has set aside on its books adequate allowance accounts therefor in accordance with accounting principles established for federal income tax purposes for Persons reporting on a cash basis, or (ii) breaches or defaults in the performance of any agreement or instrument by which any such Indebtedness is issued, evidenced, governed, or secured, and any such failure, breach or default continues beyond any applicable period of grace provided therefor;

(h) Borrower:

(i) suffers the entry against it of a judgment, decree or order for relief by a Tribunal of competent jurisdiction in an involuntary proceeding commenced under any applicable bankruptcy, insolvency or other similar Law of any jurisdiction now or hereafter in effect, including the federal Bankruptcy Code, as from time to time amended, or has any such proceeding commenced against it which is not dismissed for a period of sixty days; or

(ii) commences a voluntary case under any applicable bankruptcy, insolvency or similar Law now or hereafter in effect, including the federal Bankruptcy Code, as from time to time amended; or applies for or consents to the entry of an order for relief in an involuntary case under any such Law; or makes a general assignment for the benefit of creditors; or fails generally to pay (or admits in writing its inability to pay) its debts as such debts become due; or takes corporate or other action to authorize any of the foregoing; or

(iii) suffers the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of all or a substantial part of its assets or of any part of the Collateral in a proceeding brought against or initiated by it, and such appointment or taking possession is neither made ineffective nor discharged within sixty days after the making thereof, or such appointment or taking possession is at any time consented to, requested by, or acquiesced to by it; or

(iv) suffers the entry against it of a final judgment for the payment of money in excess of \$50,000 (not covered by insurance satisfactory to Lender in its discretion), unless the same is discharged within thirty days after the date of entry thereof or an appeal or appropriate proceeding for review thereof is taken within such period and a stay of execution pending such appeal is obtained; or

(v) suffers a writ or warrant of attachment or any similar process to be issued by any Tribunal against all or any substantial part of its assets or any part of the Collateral, and such writ or warrant of attachment or any similar process is not stayed or released within thirty days after the entry or levy thereof or after any stay is vacated or set aside;

- (i) Borrower is liquidated or dissolved;
- (j) Any Material Adverse Change occurs; or
- (k) There is a Change in Control of Borrower.

Upon the occurrence of an Event of Default described in subsection (h)(i), (h)(ii) or (h)(iii) of this section with respect to Borrower, all of the Obligations shall thereupon be immediately due and payable, without demand, presentment, notice of demand or of dishonor and nonpayment, protest, notice of protest, notice of intention to accelerate, declaration or notice of acceleration, or any other notice or declaration of any kind, all of which are hereby expressly waived by Borrower. During the continuance of any other Event of Default, Lender at any time and from time to time may, without notice to Borrower, declare any or all of the Obligations immediately due and payable, and all such Obligations shall thereupon be immediately due and payable, without demand, presentment, notice of demand or of dishonor and nonpayment, protest, notice of protest, notice of intention to



accelerate, declaration or notice of acceleration, or any other notice or declaration of any kind, all of which are hereby expressly waived by Borrower.

**Section 12. Remedies.** If any Event of Default shall occur and be continuing, Lender may protect and enforce its rights under this Agreement and the other Loan Documents by any appropriate proceedings, including proceedings for specific performance of any covenant or agreement contained in any Loan Document, and Lender may enforce the payment of any Obligations due it or enforce any other legal or equitable right which it may have. All rights, remedies and powers conferred upon Lender under the Loan Documents shall be deemed cumulative and not exclusive of any other rights, remedies or powers available under the Loan Documents or at Law or in equity. Subject to the rights of the Prior Lienholders, the Lender's authority and rights shall include, without limitation, the following:

(a) the Lender may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Uniform Commercial Code (the "Code") (whether or not the Code applies to the affected Collateral) and also may (i) require the Borrower to, and the Borrower hereby agrees that it will at its expense and upon request of the Lender forthwith, assemble all or part of the Collateral as directed by the Lender and make it available to the Lender at a place to be designated by the Lender which is reasonably convenient to it and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Lender's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Lender may deem commercially reasonable. The Borrower agrees that, to the extent notice of sale shall be required by law, at least ten (10) business days' notice to the Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Lender may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All cash proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Lender, be held by the Lender as collateral for, and/or then or at any time thereafter applied in whole or in part by the Lender against all or any part of the Obligations in such order as the Lender shall elect, subject to any mandatory provisions of this Agreement, the Credit Agreement or applicable law. Any surplus of such cash or cash proceeds held by the Lender and remaining after payment in full of all the Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus.

The execution and delivery of this Agreement in no manner shall impair or affect any other security (by endorsement or otherwise) for the payment of the Obligations and no security taken hereafter as security for payment of the Obligations shall impair in any manner

or affect this Agreement, all such present and further additional security to be considered as cumulative security. Any of the collateral for, or any obligor on, any of the Obligations may be released without altering, varying or diminishing in any way the force, effect, lien, security interest, or charge of this Agreement as to the Collateral not expressly released, and this Agreement shall continue as a security interest and charge on all of the Collateral not expressly released until all the Obligations secured hereby have been paid in full.

This Agreement shall not be construed as relieving the Borrower from full recourse liability on the Obligations and any and all further and other indebtedness secured hereby and for any deficiency thereon.

**Section 13. Indemnity and Expenses.**

(a) The Borrower agrees to indemnify the Lender from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement), except claims, losses or liabilities resulting from the Lender's negligence or willful misconduct.

(b) The Borrower will upon demand pay to the Lender the amount of any and all reasonable expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, which the Lender may incur in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of the Lender hereunder, or (iv) the failure by the Borrower to perform or observe any of the provisions hereof.

**Section 14. Security Interest Absolute.** All rights of the Lender and security interests hereunder, and all obligations of the Borrower hereunder, shall be absolute and unconditional, irrespective of:

(a) any lack of validity or enforceability of the Note, Credit Agreement or any other Loan Document or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations or any other amendment or waiver of or any consent to any departure from any Note;

(c) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to departure from any guaranty, for all or any of the Obligations; or

(d) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Borrower, or a third party Borrower of a security interest.

**Section 15. Amendments; Etc.** No amendment or waiver of any provision of this Agreement nor consent to any departure by the Borrower herefrom, shall in any event be effective unless the same shall be in writing and signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

**Section 16. Addresses for Notices.** Unless otherwise provided herein, all notices, requests, consents, demands and other communications shall be in writing and shall be mailed, certified mail with return receipt requested, postage prepaid, or telegraphed, cabled, telexed, telecopied or otherwise physically delivered to their respective addresses as set forth herein, or, as to any party, to such other address as may be designated by it in written notice to all other parties. All notices, requests, consents and demands hereunder will be effective, if addressed to the Lender or the Borrower as aforesaid, when mailed by certified mail, postage prepaid, return receipt requested, or upon delivery if telegraphed, cabled, telexed, telecopied or otherwise physically delivered, addressed as aforesaid.

**Section 17. Continuing Security Interest; Transfer of Note.** This Agreement shall create a continuing security interest in the Collateral and shall (i) be binding upon the Borrower, its successors and assigns and (ii) inure, together with the rights and remedies of the Lender hereunder, to the benefit of the Lender, its successors, transferees and assigns. Upon the payment in full of the Obligations, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Borrower. Upon any such termination, the Lender will, at the Borrower's expense, execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence such termination.

**Section 18. Governing Law; Terms.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of Texas. Terms used in Article 9 of the Uniform Commercial Code in the State of Texas are used herein as therein defined.

**Section 19. Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which shall constitute one and the same agreement.

**Section 20. Severability.** If any term or provision of any Loan Document shall be determined to be illegal or unenforceable all other terms and provisions of the Loan Documents shall nevertheless remain effective and shall be enforced to the fullest extent permitted by applicable Law.

**Section 21. Waiver of Jury Trial, Punitive Damages, etc.** BORROWER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY (A) WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR DIRECTLY OR INDIRECTLY AT ANY TIME ARISING OUT OF, UNDER OR IN CONNECTION WITH THE

LOAN DOCUMENTS OR ANY TRANSACTION CONTEMPLATED THEREBY OR ASSOCIATED THEREWITH, BEFORE OR AFTER MATURITY; (B) WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY "SPECIAL DAMAGES", AS DEFINED BELOW, (C) CERTIFIES THAT NO PARTY HERETO NOR ANY REPRESENTATIVE OF LENDER OR COUNSEL FOR ANY PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, OR IMPLIED THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, AND (D) ACKNOWLEDGES THAT LENDER HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY BY AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS SECTION. AS USED IN THIS SECTION, "SPECIAL DAMAGES" INCLUDES ALL SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES (REGARDLESS OF HOW NAMED), BUT DOES NOT INCLUDE ANY PAYMENTS OR FUNDS WHICH ANY PARTY HERETO HAS EXPRESSLY PROMISED TO PAY OR DELIVER TO ANY OTHER PARTY HERETO.

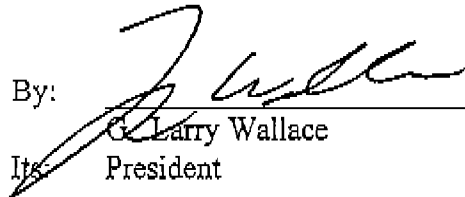
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IN WITNESS WHEREOF, the Borrower and the Lender have caused this Agreement to be duly executed and delivered as of the date first above written.

**LENDER:**

**EFO / PULSAR, L.P.**  
a Texas limited partnership

By: EFO GenPar, Inc.  
Its: General Partner

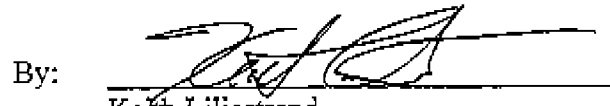
By:   
G. Larry Wallace  
Its: President

Address: 2626 Cole Avenue, Suite 700  
Dallas, Texas 75204

Facsimile: (214) 849-9807

**BORROWER:**

**PULSAR TELECOMMUNICATIONS, INC**  
a Texas corporation  
(a/k/a Pulsar Communications, Inc.)

By:   
Keith Liljestrang  
Its: President

Address: 8111 LBJ Freeway, Suite 1150  
Dallas, Texas 75251

Facsimile: (972) 699-6299

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