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

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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)	2. Name and address of receiving party(ies)				
Exxtra Imaging Systems, Inc.	Name: Wayne G. Wasulko				
	Internal Address:				
Additional name(s) of conveying party(les) attached? Yes X No.  3. Nature of conveyance/Execution Date(s):  Execution Date(s) March 27, 2007  Assignment Merger  XX Security Agreement Change of Name  Joint Research Agreement  Government Interest Assignment  Executive Order 9424, Confirmatory License  Other  4. Application or patent number(s): This  A. Patent Application No.(s)	Street Address: 8769 Petite Creek Way  City: Roseville  State: California  Country: U.S.A. Zip: 95661  Additional name(s) & address(es) attached? Yes XX No  document is being filed together with a new application.  B. Patent No.(s)  5,589,900  5,404,187				
Additional numbers a	ttached? Yes XXNo				
5. Name and address to whom correspondence concerning document should be mailed:	6. Total number of applications and patents involved: 2				
Name: R. Michael West	7. Total fee (37 CFR 1.21(h) & 3.41) \$_80				
Internal Address:	Authorized to be charged by credit card				
Law Offices of R. Michael West	XX Authorized to be charged to deposit account				
Street Address:	Enclosed				
455 Capitol Mall, Suite 405	None required (government interest not affecting title)				
City: Sacramento	8. Payment Information				
State: California Zip: 95814	a. Credit Card Last 4 Numbers Expiration Date				
Phone Number: 916-444-5444	b. Deposit A <b>¢ ՀՀՅԱՐՋԵՐԻ ՀԻՐ</b> ԵՐԻ ՄԵՐ ԱՄԵՐ ԱՄԵՐ ԱՄԵՐ ԱՄԵՐ ԱՄԵՐ ԱՄԵՐ ԱՄԵՐ				
Fax Number: 916-444-5441	Authorized Use Mame R. M. 10 Mael West				
Email Address: <u>mwest@saciplaw.com</u>	Addionzed Oser Marite 10 - Free Marie 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
9. Signature:	11/2/07				
Signature	Tatal number of pages including cover 0.2				
R. Michael West	Total number of pages including cover 23				

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

Name of Person Signing

sheet, attachments, and documents:

### SECURITY AGREEMENT

THIS SECURITY AGREEMENT, made and entered into as of the 27 day of Much, 2007, by and between EXXTRA IMAGING SYSTEMS, INC., a California corporation ("Assignor" and sometimes "Exxtra"), and WAYNE G. WASULKO ("Wasulko"), and any additional shareholders of Exxtra who are added by amendment as a secured party to this agreement (collectively, the "Secured Parties").

#### WITNESSETH:

WHEREAS, Assignor is presently indebted to Walsulko, in the amount of \$352,421.04 pursuant to the terms of a Promissory Note (referred to as such herein) of even date herewith in connection with the purchase by Assignor and Xante of the outstanding capital stock of the Assignor owned by Wasulko pursuant to the terms of the applicable Stock Purchase Agreement and Redemption Agreement entered into with each Secured Party ("Stock Purchase Agreement");

WHEREAS additional Promissory Note(s) may be executed by Assignor and secured by this Agreement pursuant to amendment of this Agreement and all such notes together with the Promissory Note shall collectively be referred to herein as the "Notes"; and,

WHEREAS, Xante has guaranteed the obligations of Assignor under the Promissory Note; and,

WHEREAS, Assignor is willing to secure the Notes; and,

WHEREAS, the parties hereto desire to set forth herein the terms and conditions by which such security interest is to be given to Secured Parties by Assignor:

NOW, THEREFORE, in consideration of the premises, and for other good and valuable considerations, the receipt, adequacy, and sufficiency of all of which is hereby acknowledged, the parties hereto hereby covenant and agree as follows:

- 1. <u>Definitions</u>. Meaning of terms used herein:
  - (a) "Accession" is used herein as defined in the UCC.
- (b) "Collateral" means the property subject to the security interest herein created and includes, without limitation, all: (i) Copyrights, (ii) General Intangibles, (iii) Marks, (iv) Patents, (v) all books, records, ledger cards, files, correspondence, computer programs, tapes, disks, and related data processing software (owned by such Assignor or in which it has an interest) that at any time evidence or contain information relating to any Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon, (vi) Domain Names, (vii) Trade Secret Rights, (viii) Trade Secrets), (ix) Software and (x) to the extent not otherwise included, all Accessions, Proceeds and products of any and all of the foregoing. With respect to Copyrights and Software, the term "Collateral" shall not include any enhancements,

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modifications or additions to the Copyrights or Software from the form in which the Copyrights and Software are delivered to Assignor pursuant to the Stock Purchase Agreement.

- (c) "Copyrights" means any U.S. or foreign copyright owned by Assignor, including any registrations of any Copyright in the U.S. Copyright Office or the equivalent thereof in any foreign country, as well as any application for a U.S. or foreign copyright registration now or hereafter made with the U.S. Copyright Office or the equivalent thereof in any foreign jurisdiction by Assignor. Copyrights shall include, without limitation: Assignor's copyright in Software created or written by Assignor or agents, contractors or employees on behalf of Assignor and computer board designs and interfaces.
- (d) "<u>Domain Names</u>" means all Internet domain names and associated URL addresses in or to which any Assignor now or hereafter has any right, title or interest.
- (e) "General Intangibles" is used herein as defined in the UCC, but in any event shall include, without limitation, contract rights, franchises, licenses, choses in action, books, records, patents, trademarks, trade names, service marks, slogans, trade dress, copyrights, other intellectual property rights and applications for intellectual property rights, goodwill, know how, processes, plans, licenses, Software and other rights in personal property.
- (f) "Liability" or "Liabilities" means the Notes, Assignor's duties and responsibilities under the Notes, and all stipulations, agreements, representations, and warranties contained in this Agreement.
- (g) "Marks" means all right, title and interest in and to any U.S. or foreign trademarks, service marks and trade names now held or hereafter acquired by Assignor, including any registration or application for registration of any trademarks and service marks in the United States Patent and Trademark Office, or the equivalent thereof in any State of the United States or in any foreign country, and any trade dress including logos, designs, trade names, company names, business names, fictitious business names and other business identifiers in connection with which any of these registered or unregistered marks are used.
- (h) "Patents" means any patents in or to which any Assignor now or hereafter has any right, title or interest therein, and any divisions, continuations (including, but not limited to, continuations-in-parts) and improvements thereof, as well as any application for a patent now or hereafter made by such Assignor.
- (i) "Person" means any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof
- (j) "Proceeds" is used herein as defined in the UCC, but in any event shall include, without limitation, (a) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Assignor from time to time with respect to any of the Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to Assignor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any

part of the Collateral by any federal, state or local governmental body or unit ("Governmental Body") (or any Person acting under color of any Governmental Authority), (c) any and all amounts received when Collateral is sold, leased, licensed, exchanged, collected or disposed of, (d) any rights arising out of Collateral, and (e) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

- (k) "Security Interest" means an interest in property which secures payment or performance of an obligation.
- (l) "<u>Software</u>" is used herein as defined in the UCC, but, in any event, shall include, without limitation, any computer program or supporting information provided in connection with the transaction relating to the program.
- (m) "Trade Secret Rights" means the rights of any Assignor in any Trade Secret it holds.
- (n) "Trade Secrets" means any secretly held existing engineering and other data, information, production procedures and other know-how relating to the design, manufacture, assembly, installation, use, operation, marketing, sale and servicing of any products or business of Assignor in any location, whether written or not written
- (o) "UCC" means the Uniform Commercial Code in effect on the date hereof and as amended from time to time, as enacted in the State of Alabama or in any state or states which, pursuant to the Uniform Commercial Code as enacted in the State of Alabama, has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time. It is the intent of the parties that the definitions set forth above should be construed in their broadest sense so that Collateral will be construed in its broadest sense. Accordingly if there are, from time to time, changes to defined terms in the UCC that broaden the definitions, they are incorporated herein and if existing definitions in the UCC are broader than the amended definitions, the existing ones shall be controlling. Similarly, where the phrase "as defined in the UCC, but in any event shall include, without limitation..." is used above, it means as defined in the UCC except that if any of the enumerated types of items specified thereafter would not fall within the UCC definition, they shall nonetheless be included in the applicable definition for purposes of this Agreement.
- 2. <u>Grant of Security Interest</u>. As security for the payment of the Liabilities, Assignor hereby assigns to Secured Parties and grants to Secured Parties, their successors and assigns, a security interest in the Collateral.

### 3. <u>Covenants</u>. Assignor shall:

(a) if requested by Secured Parties, execute and deliver to Secured Parties an additional written assignment supplementing or further evidencing Secured Parties' rights in the Collateral;

- (b) if requested by Secured Parties, join with Secured Parties in executing a financing statement(s), and any notice, affidavit, or similar instrument in form satisfactory to Secured Parties, and such other instruments as Secured Parties may from time to time reasonably request; and pay the costs of filing all such in any public office(s) deemed advisable by Secured Parties;
- (c) Each Assignor is, and as to all Collateral acquired by it from time to time after the date hereof such Assignor will be, the owner or holder of all such Collateral free from any lien, security interest, encumbrance or other right, title or interest of any Person and each Assignor shall defend all such Collateral (other than immaterial Collateral no longer necessary for the conduct of the such Assignor's business) against all claims and demands of all Persons at any time claiming the same or any interest therein adverse to the Secured Parties. Assignor may not encumber or create any liens upon the Collateral without the prior written consent of Secured Parties.
- (d) So long as any of the Liabilities remain unpaid, no Assignor will execute or authorize to be filed in any public office any financing statement (or similar statement or instrument of registration under the law of any jurisdiction) relating to the Collateral.
- (e) No Assignor shall change its legal name, its type of organization, its jurisdiction of organization, its location unless Assignor shall have given to Secured Parties not less than thirty (30) days prior written notice of each change to the information described above and shall have taken all actions reasonably requested by Secured Parties to maintain the security interests of the Secured Parties in the Collateral intended to be granted hereby at all times for it perfected and in full force and effect.
- (f) Assignor will, at all reasonable times and upon reasonable notice, allow the Secured Parties or its representatives free and complete access to inspect the Collateral and to have access to all of such Assignor's records regarding the Collateral, for such inspection and examination as the Secured Parties deem necessary. Assignor shall also, upon request of the Secured Parties, from time to time, submit up-to-date schedules of the items comprising the Collateral of such Assignor in such reasonable detail as the Secured Parties shall require.
- (g) The Assignor, at its sole cost and expense, will protect and defend this Security Agreement, all of the rights of the Secured Parties hereunder, and the Collateral against the claims and demands of all other parties. The Assignor will promptly notify the Secured Parties of any levy, distraint or other seizure by legal process or otherwise of any part of the Collateral, and of any threatened or filed claim, proceedings or litigation that might in any way affect or impair the Collateral or any of the terms of this Security Agreement.
- (h) Assignor shall own and operate the Collateral and the business of Assignor in compliance with all federal and state laws, regulations and ordinances. Assignor will not cause or permit the waste, injury or destruction of the Collateral and will not use or permit the use of the Collateral or the business of Assignor in any unlawful manner.

- 4. <u>Taxes and Assessments</u>. The Assignor agrees to pay all taxes, rents, assessments, and charges levied against the Collateral and all other claims that are or may become liens against the Collateral, or any part thereof, and should default be made in the payment of same, the Secured Parties, at their option, may pay the same.
- 5. Recording and Filing Fees. Any and all recording and filing fees, revenue stamps, taxes, or other expenses and charges payable in connection with the execution and delivery to the Secured Parties of this Agreement, or of the recording of any financing statements or other instruments requested by the Secured Parties pursuant hereto, shall be borne by the Assignor.
- 6. <u>Collection of Collateral</u>. Upon the occurrence of any default under this Agreement, the Secured Parties shall have the right to demand and receive properties and assets included in the Collateral, and promptly on demand of the Secured Parties therefor the Assignor hereby agrees to deliver to the Secured Parties all such properties and assets. The Assignor agrees promptly upon demand by Secured Parties to take any and all further actions and execute any and all further documents required by the Secured Parties in order to effect the transfer of properties, and assets to the Secured Parties, and in the event of the failure of the Assignor to do so, the Assignor hereby irrevocably constitutes and appoints the Secured Parties, and any other person designated by the Secured Parties, agent and attorney-in-fact for the Assignor for the purpose of doing the same in the name and stead and on behalf of each of them.
- 7. <u>Waiver of Exemption, etc.</u> As against the Liabilities, the Assignor waives all rights of exemption under the Constitution and laws of the State of Alabama, or any other jurisdiction, and agrees to pay all costs of collection and enforcement hereof, and reasonable attorneys' fees, if the Liabilities are not paid at maturity or other default occurs hereunder.
- 8. Non-Waiver. It is agreed that no delay in exercising any right or option given or granted hereby to the Secured Parties shall be construed as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power, or privilege. The Secured Parties may permit the Assignor to remedy any default without waiving the default so remedied, and the Secured Parties may waive any default without waiving any other subsequent or prior default by the Assignor. It is further agreed that if any default occurs under the terms of this Agreement, the Secured Parties shall have the right, without further notice to the Assignor, to declare the entire unpaid balance of the Liabilities, with accrued interest, immediately due and payable, and the Secured Parties shall be authorized, at their election, to proceed to enforce their rights and remedies upon default under the terms of this Agreement. The Assignor waives any right to require Secured Parties to proceed against any Person or proceed against or exhaust any Collateral or pursue any other remedy in Secured Parties' power; and waives any defense arising by reason of any disability or other defense of the Assignor or any other Person, or by reason of the cessation from any cause whatsoever of the liability of the Assignor or any other Person.
- 9. <u>Assignor's Authorization of Additional Action by Secured Parties</u>. Assignor further authorizes the Secured Parties, without the prior consent of such Assignor and without

notice or demand and without affecting such Assignor's liability hereunder or on the liabilities, from time to time to:

- (a) Take and hold security other than the Collateral herein described for the payment of the liabilities or any part thereof, and may exchange, enforce, waive, and release the Collateral herein described or any part thereof or any such other security.
- (b) Apply such Collateral or other security and direct the order or manner or sale thereof as Secured Parties in their discretion may determine.
- (c) Release or substitute a Assignor, or any of the Liabilities or any part thereof, or any other parties thereto.
  - (d) Extend the time for payment or other performance of the Liabilities.
- (e) Compromise or release any obligation with any one or more Assignors, endorsers, or guarantors of the Liabilities.
- (f) Proceed in any order as Secured Parties deem advisable against any collateral providing security for the Liabilities, including without limitation, proceeding against the Collateral covered by this Security Agreement prior to action against any other collateral securing the Liabilities.
- (g) Proceed against the Collateral covered by this Security Agreement prior to proceeding against any Assignor or all of the Assignors or any Assignor, endorser, or guarantor of the Liabilities or to proceed against any Assignor or all of the Assignors or any Assignor, endorser, or guarantor of the Liabilities prior to proceeding against the Collateral.
- 10. Events of Default. As used in this Agreement, the terms "default" or "event of default" shall mean the occurrence or happening of any one or more of the following events, circumstances, or conditions:
- (a) Violation of or default in the observance or performance of any term, agreement, covenant, condition, or stipulation contained or referred to in this Security Agreement or in any notes evidencing any of the Liabilities secured by this Security Agreement; or
- (b) Default in the due payment of the principal of any of the Liabilities, or any part thereof, as and when due and payable (The parties acknowledge that the Notes have a provision pursuant to which the failure to pay an installment is not a default allowing acceleration or enforcement of remedies until failure to pay the installment is one hundred eighty (180) days past the due date of the installment.); or
- (c) Any warranty, representation, report, certification, or statement made or furnished to the Secured Parties by or on behalf of the Assignor shall prove to be false or misleading in any material respect; or

- (d) The loss, theft, damage, sale, destruction, or encumbrance of any material portion of the Collateral, or the sale or encumbrance or the making of any levy, seizure, or attachment thereof or thereon; or
  - (e) The insolvency of the Assignor or Xante; or
- (f) The filing of a voluntary or involuntary petition under any provision of any Federal or state bankruptcy statute (whether for bankruptcy, reorganization, arrangement, readjustment of debt, composition, extension, wage earner's plan, or otherwise by or against the Assignor or Xante, or the taking by the Assignor or Xante of corporate action for the purpose of effecting any of the foregoing; or
- (g) The appointment of a receiver, trustee, or liquidator of the Assignor, or of all or a substantial part of the Assignor's or Xante's properties or assets, or the adjudication of the Assignor as a bankrupt or insolvent, or the entry of an order for relief against the Assignor or Xante in any voluntary or involuntary bankruptcy or reorganization case by or against the Assignor; or

General assignment for the benefit of creditors, dissolution or liquidation of the Assignor or Xante, or failure or admission of the inability of the Assignor or Xante generally to pay such Assignor's or Xante's debts as they become due, or business failure of or by the Assignor or Xante, or the entry of a judgment or the issuance of a writ of attachment or garnishment against the Assignor or Xante.

- 11. Special Provisions Concerning Trademarks and Domain Names.
- (a) Assignor hereby agrees not to divest itself of any right under any registered Mark or Domain Name absent prior written approval of the Secured Parties, except as otherwise permitted by this Agreement.
- (b) Assignor agrees, promptly upon learning thereof, to notify the Secured Parties in writing of the name and address of, and to furnish such pertinent information that may be available with respect to, (a) any party who Assignor believes is infringing or diluting or otherwise violating in any material respect any of Assignor's rights in and to any material Mark or Domain Name, or (b) with respect to any party claiming that Assignor's use of any Mark or Domain Name violates in any material respect any property right of that party. Assignor further agrees, unless otherwise agreed by the Secured Parties, to prosecute, in accordance with reasonable business practices, any Person infringing any material Mark or Domain Name owned by Assignor.
- (c) Assignor shall, at its own expense and in accordance with reasonable business practices, process all documents required to maintain Mark and Domain Name registrations, including but not limited to affidavits of continued use and applications for renewals of registration in the United States Patent and Trademark Office for all of its registered Marks pursuant to 15 U.S.C. §§ 1058, 1059 and 1065 or any foreign equivalent thereof, as applicable, and shall pay all fees and disbursements in connection therewith and shall not

abandon any such filing of affidavit of use or any such application of renewal prior to the exhaustion of all administrative and judicial remedies without prior written consent of the Secured Parties.

- (d) If any registration for any Mark issued hereafter to Assignor as a result of any application now or hereafter pending before the United States Patent and Trademark Office or any Domain Name is registered by Assignor, Assignor shall promptly deliver to the Secured Parties a copy of such certificate, and an assignment for security in such Mark and/or Domain Name, to the Secured Parties and at the expense of Assignor, confirming the assignment for security in such Mark and/or Domain Name to the Secured Parties hereunder, the form of such assignment for security to be substantially the same as the form hereof or in such other form as may be reasonably satisfactory to the Secured Parties.
- If an event of default shall occur and be continuing, the Secured Parties may, by written notice to the Assignor, take any or all of the following actions: (a) declare the entire right, title and interest of Assignor in and to each of the Marks and Domain Names, together with all trademark rights and rights of protection to the same and the goodwill of Assignor's business symbolized by said Marks or Domain Names and the right to recover for past infringements thereof, vested in the Secured Parties, for the benefit of the Secured Parties, in which event such rights, title and interest shall immediately vest in the Secured Parties and the Secured Parties shall be entitled to exercise the power of attorney referred to in Section 6 to execute, cause to be acknowledged and notarized and to record an absolute assignment with the applicable agency; (b) take and use or sell the Marks or Domain Names and the goodwill of Assignor's business symbolized by the Marks or Domain Names; and (c) direct Assignor to refrain, in which event Assignor shall refrain, from using the Marks or Domain Names in any manner whatsoever, directly or indirectly, and, if requested by the Secured Parties, change Assignor's corporate name to eliminate therefrom any use of any such Mark or Domain Name and execute such other and further documents that the Secured Parties may request to further confirm this and to transfer ownership of such Marks or Domain Names and registrations and any pending trademark applications therefor in the United States Patent and Trademark Office or any equivalent government agency or office in any foreign jurisdiction to the Secured Parties.

#### 12. Special Provisions Concerning Patents, Copyrights And Trade Secrets.

(a) Assignor represents and warrants that upon the recordation of an Assignment of Security Interest in United States Trademarks and Patents in the form of Annex A hereto in the United States Patent and Trademark Office and the recordation of an Assignment of Security Interest in United States Copyrights in the form of Annex B hereto in the United States Copyright Office, together with filings on Form UCC-1 pursuant to this Agreement, all filings, registrations and recordings necessary or appropriate to perfect the security interest granted to the Secured Parties in the United States Patents and United States Copyrights covered by this Agreement under federal law will have been accomplished. Concurrently with the execution of this Agreement, and upon obtaining any additional Patent, Assignor agrees to execute an Assignment of Security Interest in United States Trademarks and Patents covering all right, title and interest in each United States Patent of Assignor and to record the same, and concurrently with the execution of this Agreement and upon obtaining any additional Copyright, to execute

such an Assignment of Security Interest in United States Copyrights covering all right, title and interest in each United States Copyright of Assignor and to record the same. Assignor hereby grants to the Secured Parties an absolute power of attorney to sign, upon the occurrence and during the continuance of any event of default, any document which may be required by the U.S. Patent and Trademark Office or equivalent governmental agency in any foreign jurisdiction or the U.S. Copyright Office or equivalent governmental agency in any foreign jurisdiction in order to effect an absolute assignment of all right, title and interest in each Patent and Copyright of Assignor, as the case may be, and to record the same.

- (b) Assignor hereby agrees not to divest itself of any right under any Patent or Copyright absent prior written approval of the Secured Parties.
- Parties in writing with all pertinent information available to Assignor with respect to any infringement, contributing infringement or active inducement to infringe any of Assignor's rights in any material Patent or Copyright of Assignor or to any claim that the practice of any Patent or the use of any Copyright violates any property right of a third party, or with respect to any misappropriation of any material Trade Secret Right of Assignor or any claim that practice of any material Trade Secret Right of Assignor violates any property right of a third party. Assignor further agrees, absent direction of the Secured Parties to the contrary, to prosecute, in accordance with reasonable business practices, any Person infringing any material Patent or Copyright of Assignor or any Person misappropriating any material Trade Secret Right of Assignor.
- (d) At its own expense, Assignor shall make timely payment of all post-issuance fees required pursuant to applicable law to maintain in force rights under each of its Patents, and to apply as permitted pursuant to applicable law for any renewal of each of its Copyrights, in any case absent prior written consent of the Secured Parties.
- (e) At its own expense, Assignor shall prosecute, in accordance with reasonable business practices, all of its applications for Patents and for Copyrights, to the extent that such Patents or Copyrights are material to its business and shall not abandon any such application prior to exhaustion of all administrative and judicial remedies, absent written consent of the Secured Parties.
- (f) Promptly upon the acquisition or issuance of a United States Patent or of a Copyright registration, or of filing of an application for a United States Patent or Copyright registration, the Assignor shall deliver to the Secured Parties a copy of said Patent or Copyright registration or certificate or registration of, or application therefor, as the case may be, with an assignment for security as to such Patent or Copyright, as the case may be, to the Secured Parties and at the expense of Assignor, confirming the assignment for security, the form of such assignment for security to be substantially the same as the form hereof or in such other form as may be reasonably satisfactory to the Secured Parties.
- (g) If an event of default shall occur and be continuing, the Secured Parties may by written notice to the Assignor, take any or all of the following actions: (a) declare the entire right, title, and interest of Assignor in each of the Patents and Copyrights vested in the

Secured Parties in which event such right, title, and interest shall immediately vest in the Secured Parties and the Secured Parties shall be entitled to exercise the power of attorney referred to in Section 6 to execute, cause to be acknowledged and notarized and to record an absolute assignment with the applicable agency; (b) take and use, practice or sell the Patents, Copyrights and Trade Secret Rights; and (c) direct Assignor to refrain, in which event Assignor shall refrain, from practicing the Patents and using the Copyrights and/or Trade Secret Rights directly or indirectly, and Assignor shall execute such other and further documents as the Secured Parties may request further to confirm this and to transfer ownership of the Patents, Copyrights and Trade Secret Rights to the Secured Parties, for the benefit of the Secured Parties.

- 13. Remedies on Default. If this Agreement is in default, then the Secured Parties shall have all the rights and remedies of a Secured Parties upon default under the Alabama Uniform Commercial Code, as well as all rights and remedies under any other applicable law and under the terms of this Agreement, all of which shall be cumulative. With respect to such rights and remedies:
- (a) Written notice, when required by law, sent to the Assignor at the following address at least five (5) business days before the date of a proposed disposition of the Collateral is reasonable notice to the Assignor:

XANTE Corporation P.O. Box 16526 Mobile, Alabama 36616 Attention: J. Mark Swanzy Phone: (251) 473-6502

Fax: (251) 473-2880

- (b) The Assignor agrees to reimburse the Secured Parties for any expense incurred by the Secured Parties in protecting or enforcing its rights under this Agreement, including, without limitation, all expenses of disposing of the Collateral, together with court costs and a reasonable attorney's fee. After deduction of such expenses, the Secured Parties may apply the proceeds of the disposition of the Collateral to any one or more of the Liabilities, in such order and amounts as the Secured Parties elects.
- (c) The Secured Parties shall not be obligated to resort to any other collateral or security now held or hereafter given to the Secured Parties to secure the Liabilities or to seek recovery from the Assignor of said debts but may, upon default, at the Secured Parties' sole election, proceed to enforce their rights as to the Collateral hereunder.
- (d) With regard to exercise of remedies upon default by Assignor, Wasulko, or any stockholder who later becomes a Secured Party by addendum to this Security Agreement, may exercise the rights and remedies of Secured Parties pursuant to this Agreement. Notwithstanding the foregoing, if any of the Secured Parties initiates the exercise of rights or remedies of a Secured Party pursuant to this Agreement, then all Secured Parties who are then included by addendum to this agreement shall join in exercising the same rights and remedies.

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Proceeds from the exercise of the rights and remedies shall be allocated pro rata between all of the Secured Parties in proportion to the unpaid principal balances of their respective Notes.

- 14. Attorney's Fees. Assignor shall pay to Secured Parties on demand any and all expenses, including legal expenses and reasonable attorney's fees, incurred or paid by Secured Parties in protecting and enforcing the Liabilities and the rights of Secured Parties hereunder.
- 15. <u>Successors and Assigns</u>. All covenants and agreements herein made by the Assignor shall bind the Assignor and the heirs, representatives, successors, and assigns of the Assignor, and every option, right, and privilege herein reserved or granted to the Secured Parties shall inure to the benefit of and may be exercised by the Secured Parties' successors or assigns. The Assignor hereby acknowledges receipt of a duplicate copy of this instrument.
- 16. <u>Mediation and Arbitration</u>. Any and all disputes arising under the terms of this Security Agreement shall be submitted to mediation and, if not resolved, to arbitration pursuant to the terms of the Stock Purchase Agreement at Sections 11.2.3, 11.2.3 and 15.8. The terms of those Sections are incorporated herein by this reference as though fully set forth.
- 17. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Alabama, except as required by mandatory provisions of law and except to the extent that the validity and perfection of the security interest hereunder, or remedies hereunder, in respect of the Collateral (or any part thereof) are governed by the laws of a jurisdiction other than the State of Alabama.
- 18. <u>Modification, etc.</u> No modification, amendment, or waiver of any provision of this Agreement, any notes secured hereby, nor consent to any departure by the Assignor therefrom shall in any event be effective unless the same shall be in writing and signed by the Secured Parties and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Assignor in any case shall entitle the Assignor to any other or further notice or demand in the same, similar, or other circumstances.
- 19. <u>Further Assurances</u>. The Assignor will take such action as may be necessary to protect and maintain a continuously perfected security interest of the Secured Parties in the Collateral, including, without limitation, the filing of such financing statements and other instruments in such detail as, in the opinion of the Secured Parties and its counsel, may be necessary to create or maintain a perfected security interest.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, all on the day and year first above written.

**ASSIGNOR:** 

EXXTRA IMAGING SYSTEMS, INC.,

a California corporation

Print Name: WAYNE

As Its: CEO

**SECURED PARTIES:** 

#### ANNEX A

### FORM OF ASSIGNMENT OF SECURITY INTEREST IN U.S. PATENTS AND TRADEMARKS

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, Exerca IMAGING SYSTEMS, Toda (INLIGIANIA) corporation ("the Assignor") with principal offices at 1.0. Box 16526, Mobile, AL 36616, hereby assigns and grants to Wayne G. Wasulko, and any stockholder who hereafter becomes a Secured Party by addendum to this agreement, (collectively the "Secured Parties") with principal offices at 8769 Petite Creek WAY, Rosenius, CA 9566 security interest in (a) all of the Assignor's right, title and interest in and to the trademarks, trademark registrations and trademark applications (the "Marks") set forth on Schedule A attached hereto; (b) all of the Assignor's right, title and interest in and to the patents and patent applications (the "Patents") set forth on Schedule B attached, in each case together with (c) all Proceeds (as such term is defined in the Security Agreement referred to below) of the Marks and Patents, (d) the goodwill of the businesses with which the Marks are associated and, (e) all causes of action arising prior to or after the date hereof for infringement of any of the Marks and Patents or unfair competition regarding the same.

THIS ASSIGNMENT OF SECURITY INTEREST (this "Assignment"), effective as of March 27, 2007 is made to secure the satisfactory performance and payment of all the Liabilities of the Assignor, as such term is defined in the Security Agreement, among Assignor and the Secured Parties, dated March 27, 2007 (as amended, restated, modified and/or supplemented from time to time, the "Security Agreement").

This Assignment has been granted in conjunction with the security interest granted to the <u>Secured Parties</u> under the Security Agreement. The rights and remedies of the <u>Secured Parties</u> with respect to the security interest granted herein are set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Assignment are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

**ASSIGNOR** 

ASSIGNOR:

EXXTRA Imaging Systems, Inc., a California corporation

Title:

### ACKNOWLEDGMENT

### STATE OF CALIFORNIA COUNTY OF SACRAMENTO

On March 23, 2007, before me, Amy H. Ruggles, Notary Public, personally appeared "Wayne G. Wasulko", personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE

(SEAL)

AMY HUGHES RUGGLES COMM: #1593080 COMM: #1593080 SACRAMENTO COUNTY COMM. Exp. JUNE 29, 2009

# $\frac{\text{SCHEDULE A TO ANNEX A}}{\text{U.S. TRADEMARKS}}$

None.

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# SCHEDULE B TO ANNEX A U.S. PATENTS AND PATENT APPLICATIONS

United States Patent 5,589,900 dated Dec. 31, 1996 - Virtual Drum Imagesetter

United States Patent 5,404,187 dated April 4, 1995 - Virtual Drum Imagesetter

2

K:\5161/015/Security Agreement 031207 v3 marked

#### ANNEX B

### FORM OF ASSIGNMENT OF SECURITY INTEREST IN U.S. COPYRIGHTS

WHEREAS, EXXTRA Imaging Systems, Inc., a California corporation (the "ASSIGNOR"), having its chief executive office at <u>Po. Box 16526</u>, Mobile, Al 36616 is the owner of all right, title and interest in and to the copyrights and associated copyright registrations and applications for registration set forth in Schedule A attached hereto;

WHEREAS, Wayne G. Wasulko, having its principal offices at 8769 PETITE CREEK WHY, ROSEVICE, CA. 95661 (the "Secured Parties"), desires to acquire a security interest in, and lien upon all of the Assignor's right, title and interest to, said copyrights and copyright registrations and applications therefor, in its capacity as collateral agent under the Security Agreement described below; and

WHEREAS, the Assignor is willing to assign and grant to the Secured Parties a security interest in and lien upon the copyrights and copyright registrations and applications therefor described above.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and subject to the terms and conditions of the Security Agreement, dated <a href="March 2.7">March 2.7</a>, 2007, made by the Assignor and the Secured Parties (as amended, restated, modified and/or supplemented from time to time, the "Security Agreement"), the Assignor hereby assigns to the Secured Parties, and grants to the Secured Parties a security interest in, and lien upon all of the Assignor's right, title and interest to, the copyrights and copyright registrations and applications therefor set forth in Schedule A attached hereto (the "Copyrights"), together with (a) all Proceeds (as such term is defined in the Security Agreement) of the Copyrights and (b) all causes of action arising prior to or after the date hereof for infringement of any Copyright.

THIS ASSIGNMENT OF SECURITY INTEREST (this "Assignment") has been granted in conjunction with the security interest granted to the Secured Parties under the Security Agreement. The rights and remedies of the Secured Parties with respect to the security interest granted herein are set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Assignment are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

Sacramento, CAGF,

IN WITNESS WHEREOF, the undersigned have executed this Assignment at Mobile, Alabama, as of the 23 day of \( \frac{\gamma}{\text{Uarch}} \), 2007.

Assignor

EXXTRA Imaging Systems, Inc., a California corporation

Name: Wayne G. WASULL

Title:

#### **ACKNOWLEDGMENT**

## STATE OF CALIFORNIA COUNTY OF SACRAMENTO

On March 23, 2007, before me, Amy H. Ruggles, Notary Public, personally appeared "Wayne G. Wasulko", personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS MY HAND AND OFFICIAL SEAL.

**SIGNATURE** 

(SEAL)

AMY HUGHES RUGGLES COMM: #1593080 ENTERPRISE COMMINITORNIA COMMINITORNIA

### SCHEDULE A TO ANNEX B

### U.S. COPYRIGHTS

None.

K:\\$161/015/Security Agreement 031207 v3 marked

**RECORDED: 11/08/2007**