

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

Patent Security Agreement

CONVEYING PARTY DATA

| Name | Execution Date |
|--------------------|----------------|
| API SOFTWARE, INC. | 11/20/2008 |

RECEIVING PARTY DATA

| | |
|-----------------|-----------------------------------|
| Name: | WELLS FARGO FOOTHILL, LLC |
| Street Address: | 2450 Colorado Avenue, Suite 3000W |
| City: | Santa Monica |
| State/Country: | CALIFORNIA |
| Postal Code: | 90404 |

PROPERTY NUMBERS Total: 10

| Property Type | Number |
|---------------------|----------|
| Application Number: | 10291882 |
| Application Number: | 10778407 |
| Application Number: | 10958782 |
| Application Number: | 11077458 |
| Application Number: | 11876461 |
| Application Number: | 11207446 |
| Application Number: | 11682383 |
| Application Number: | 11459125 |
| Application Number: | 11621371 |
| Application Number: | 11829666 |

CORRESPONDENCE DATA

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Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

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Email: minettetayco@paulhastings.com

PATENT

500710610

REEL: 021868 FRAME: 0759

CH \$400.00 10291882

Correspondent Name: Minette M. Tayco
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Address Line 4: Los Angeles, CALIFORNIA 90071

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|-------------------------|-----------------------|
| ATTORNEY DOCKET NUMBER: | 73896.00029 (WFF/API) |
|-------------------------|-----------------------|

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| NAME OF SUBMITTER: | Minette M. Tayco |
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Total Attachments: 7
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PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "Patent Security Agreement") is made this 20th day of November, 2008, among the Grantors listed on the signature pages hereof (collectively, jointly and severally, "Grantors" and each individually "Grantor"), and WELLS FARGO FOOTHILL, LLC, in its capacity as administrative agent for the Lender Group and the Bank Product Providers (together with its successors, "Agent").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Credit Agreement dated as of November 20, 2008 (as amended, restated, supplemented or otherwise modified from time to time, including all schedules and exhibits thereto, the "Credit Agreement") among API Software Holdings Inc., a Delaware corporation ("Parent"), SP-API Merger sub, Inc., a Wisconsin corporation ("Merger Sub"), API Software, Inc., a Wisconsin corporation (together with Merger Sub, individually and collectively, jointly and severally, the "Borrower"), the lenders party thereto as "Lenders" ("Lenders"), and Agent, the Lender Group is willing to make certain financial accommodations available to Borrower pursuant to the terms and conditions thereof; and

WHEREAS, the members of Lender Group are willing to make the financial accommodations to Borrower as provided for in the Credit Agreement, but only upon the condition, among others, that the Grantors shall have executed and delivered to Agent, for the benefit of the Lender Group and the Bank Product Providers, that certain Security Agreement dated as of November 20, 2008 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantors are required to execute and deliver to Agent, for the benefit of the Lender Group and the Bank Product Providers, this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or the Credit Agreement.

2. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Each Grantor hereby grants to Agent, for the benefit of the Lender Group and the Bank Product Providers, a continuing first priority security interest (subject to Permitted Liens) in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral"):

(a) all of its Patents and Patent Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all divisionals, continuations, continuations-in-part, reissues, reexaminations, or extensions of the foregoing; and

(c) all products and proceeds of the foregoing, including any claim by such Grantor against third parties for past, present or future infringement of any Patent or right to receive license fees, royalties, and other compensation under any Intellectual Property License.

3. SECURITY FOR OBLIGATIONS. This Patent Security Agreement and the Security Interest created hereby secures the payment and performance of all the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Patent Security Agreement secures the

payment of all amounts which constitute part of the Obligations and would be owed by Grantors, or any of them, to Agent, the Lender Group, the Bank Product Providers or any of them, whether or not they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving any Grantor.

4. SECURITY AGREEMENT. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group and the Bank Product Providers, pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

5. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new patentable inventions or become entitled to the benefit of any patent application or patent for any division, continuation, continuation-in-part, reissue, or reexamination of any patent, the provisions of this Patent Security Agreement shall automatically apply thereto. Grantors shall give prompt notice in writing to Agent with respect to any such new patent rights. Without limiting Grantors' obligations under this Section, Grantors hereby authorize Agent unilaterally to modify this Agreement by amending Schedule I to include any such new patent rights of Grantors. Notwithstanding the foregoing, no failure to so modify this Patent Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Patent Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Patent Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

7. CONSTRUCTION. Unless the context of this Patent Security Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Patent Security Agreement or any other Loan Document refer to this Patent Security Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Patent Security Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Patent Security Agreement unless otherwise specified. Any reference in this Patent Security Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). Any reference herein or in any other Loan Document to the satisfaction or repayment in full of the Obligations shall mean the repayment in full in cash (or cash collateralization in accordance with the terms of the Credit Agreement) of all Obligations other than unasserted contingent indemnification Obligations and other than any Bank Product Obligations that, at such time, are allowed by the applicable Bank Product Providers to remain outstanding and that are not required by the provisions of the Credit Agreement to be repaid or cash collateralized. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record and any Record so transmitted shall constitute a representation and warranty as to the accuracy and completeness of the information contained therein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

API SOFTWARE, INC. ,
a Wisconsin corporation

By: 

Name: JOHN P FINGADO

Title: CEO

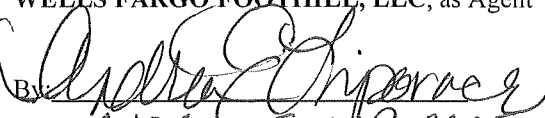
[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

AGENT:

ACCEPTED AND ACKNOWLEDGED BY:

WELLS FARGO FOOTHILL, LLC, as Agent

By:



Name: ANDREA E. LIPORACE

Title: VICE PRESIDENT

[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

SCHEDULE I
to
PATENT SECURITY AGREEMENT

Patents

None.¹

Patent Applications

| <u>Title/Jurisdiction</u> | <u>Application Number</u> |
|---|----------------------------------|
| Automated Labor Overtime Projection Method United States of America | 10/291,882 |
| Report Generation and Distribution System and Method for a Time and Attendance Recording System Canada | 2497221 |
| Report Generation and Distribution System and Method for a Time and Attendance Recording System United States of America | 10/778,407 |
| Medical Facility Employee Scheduling Method Using Patent Acuity Information United States of America | 10/958,782 |
| Automated Auction Method for Staffing Work Shifts United States of America | 11/077,458 |
| Automated Auction Method for Staffing Work Shifts United States of America | 11/876,461 |
| System for Automatically Tallying Time Spent by Medical Personnel Attending to Patients United States of America | 11/207,446 |
| System for Monitoring Patient Activity in a Medical Facility United States of America | 11/682,383 |
| System for Monitoring Patient Supervision by Health-Care Workers United States of America | 11/459,125 |
| System and Method for Monitoring Home Healthcare Workers United States of America | 11/621,371 |
| Apparatus and Method for Monitoring Use of Resources by Healthcare Employees United States of America | 11/829,666 |

¹ API has received a Notice of Allowance and Fee(s) Due from the USPTO with respect to U.S. Patent Application 11/459,125, "System for Monitoring Patient Supervision by Health-Care Workers." A patent will be granted on such application subject to payment of Final Fees totaling \$1,055.00 by February 05, 2009.

Apparatus and Method for Monitoring Use of Resources by Healthcare Employees
United States of America

11/876,451

Menu Based Scheduling Process for an Employee Time and Attendance Recording System
United States of America

11/539,806