FORM PTO-1618A Expires 06/30/99

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U.S. Department of Commerce Patent and Trademark Office TRADEMARK



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RECORDATIO	ON FORM COVER SHEET			
TRADEMARKS ONLY				
TO: The Commissioner of Patents and Trademarks: Submission Type	Please record the attached original dodument(s) or copy(ies). Conveyance Type			
 	Assignment License			
	Assignment			
Resubmission (Non-Recordation) Document ID #	Security Agreement Nunc Pro Tunc Assignment Effective Date			
Correction of PTO Error Reel # Frame # Merger				
Corrective Document	Change of Name			
Reel # Frame #	Other Collateral Assignment of Trademarks			
Conveying Party	Mark if additional names of conveying parties attached Execution Date			
Name Network Systems International	Month Day Year 06161999			
Formerly				
Individual General Partnership	Limited Partnership X Corporation Association			
Other				
X Citizenship/State of Incorporation/Organizat	tion State of Nevada			
Receiving Party	Mark if additional names of receiving parties attached			
Name Wachovia Bank, N.A.				
DBA/AKA/TA				
Composed of				
Address (line 1) 100 North Main Street				
Address (line 2)				
Address (line 3) Winston-Salem	NC 27150			
Individual General Partnership	State/Country Zip Code Limited Partnership If document to be recorded is an			
Corporation XX Association	assignment and the receiving party is not domiciled in the United States, an			
Corporation AA Association	appointment of a domestic e representative should be attached.			
Other	(Designation must be a separate document from Assignment நீ			
XX Citizenship/State of Incorporation/Organizat				
723/1999 DNGUYEN 00000156 75660596 FOR	OFFICE USE ONLY			
FC:481 40.00 0P FC:482 350.00 0P	OFFICE USE ONLY OOD Lotals			

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Office Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 2050 Code OMBH Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS (1971).

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FORM PTO-1618B Expires 06/30/99	Page 2	U.S. Department of Commerce Patent and Trademark Office TRADEMARK
Domestic Representative Nan	ne and Address Enter for the lirs	Receiving Party only.
Name		
Address (line 1)		
Address (line 2)		
Address (line 3)		
Address (line 4)		
Correspondent Name and Add	$dress_{Area}$ Code and Telephone Number $[$	(336) 412-7144
Name Wachovia Bank, N.	Α.	
Address (line 1) Attn: W. Erich Ta	11ey	
Address (line 2) P.O. Box 21048		
Address (line 3)		
Address (line 4) Greensboro, NC 27	420	
Pages Enter the total numb	er of pages of the attached conveyance ments.	document # 7
Trademark Application Number	er(s) or Registration Number(s)	XX Mark if additional numbers attached
Enter either the Trademark Application Nu Trademark Application N	mber <u>or</u> the Registration Number (DO NOT ENTER	BOTH numbers for the same property). gistration Number(s)
75660596 75660593	75660575 Reg	Jistiation Number(s)
75660576 75660589	75660577	
75660588 75660595	75660594	
Number of Properties Enter t	the total number of properties involved.	# 15
Fee Amount Fee Am	nount for Properties Listed (37 CFR 3.4	1): \$ 600.00
Method of Payment:	Enclosed xx Deposit Account	
Deposit Account	or if additional fees can be charged to the account. Deposit Account Number:) #
Deposit Account	or if additional fees can be charged to the account Deposit Account Number: Authorization to charge additional fee	#
Deposit Account	Deposit Account Number:	#
Deposit Account (Enter for payment by deposit account) Statement and Signature To the best of my knowledge	Deposit Account Number:	# No No and correct and any
Deposit Account (Enter for payment by deposit account) Statement and Signature To the best of my knowledge attached copy is a true copy	Deposit Account Number: Authorization to charge additional feet and belief, the foregoing information is true	# No No and correct and any

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

Conveying Party Enter Additional Conveying Party Mark if additional Conveying Party	ditional names of conveying parties attached Execution Date Month Day Year
Name Network Systems International, Inc.	06161999
Formerly	
Individual General Partnership Limited Partner	rship XX Corporation Association
Other	
Citizenship State of Incorporation/Organization State Of	Nevada
Receiving Party Enter Additional Receiving Party Mark if additional	names of receiving parties attached
Name Wachovia Bank, N.A.	
DBA/AKA/TA	
Composed of	
Address (line 1) 100 North Main Street	
Address (line 2)	
Address (line 3) Winston-Salem NC	State/Country Zip Code
Individual General Partnership Limited Par Corporation XX Association Other	·
	Carolina
Trademark Application Number(s) or Registration N	(XX Mark is additional flumbers attached
Enter either the Trademark Application Number or the Registration Number (
Trademark Application Number(s) 75660592 75660591 75660590	Registration Number(s)
75660599 75660598 75660597	

Schedule A

List of Trademarks and Trademark Applications

Trademark	Application #	Registration #
Network Systems International	75/660596	
the net collection	75/660593	
net inventory processor	75/660575	
net maintenance controller	75/660576	
net event tracker	75/660589	
net scheduler	75/660577	
net earnings monitor	75/660588	
net customer link	75/660595	
net distribution handler	75/660594	
net messenger	75/660592	
net cost construction	75/660591	
net exec	75/660590	
net resource manager	75/660599	
net sales forecaster	75/660598	
net proplan	75/660597	

TRADEMARK REEL: 001932 FRAME: 0979

COLLATERAL ASSIGNMENT OF TRADEMARKS

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS ("Assignment"), made as of the 16th day of June, 1999, between NETWORK SYSTEMS INTERNATIONAL, INC. (the "Assignor"), and WACHOVIA BANK, N.A., 100 North Main Street, Winston-Salem, North Carolina 27150 (the "Lender").

RECITALS:

- A. The Lender has entered or may enter into certain financial and financing arrangements with Assignor and/or has extended or may extend loans, credit or other financial accommodations to Assignor.
- B. In order to induce the Lender to enter into such arrangements and/or extend such credit, loans or other accommodations to the Assignor, Assignor has agreed to grant to the Lender a security interest in the Collateral, as defined in that certain Security Agreement executed by Assignor to the Lender, dated June 16, 1999 (the "Security Agreement").
- C. A portion of the Collateral consists of the Trademarks (as hereinafter defined).
- D: The Trademarks have been adopted, used and are being used by the Assignor.
- E. In order to induce the Lender to enter into certain financial and financing arrangements and to extend loans, credit or other financial accommodations, the Assignor desires to assign Assignor's right, title and interest in, to and under the Trademarks to the Lender, except as provided herein.

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, the Assignor and the Lender hereby agree as follows:

- 1. <u>Definitions</u>. In addition to the words and terms elsewhere defined in this Assignment, the following terms shall have the following meanings unless the context indicates a contrary meaning or intent:
- (a) "Event of Default" shall mean: (a) the occurrence of an Event of Default under the Security Agreement; or (b) the failure of the Assignor to perform, observe or comply with the loan documents relating to any of the Obligations other than those arising under the terms of the Security Agreement; or (c) failure of the Assignor to perform, observe, or comply with any of the provisions of this Assignment and such failure shall remain uncured for a period of ten (10) days after the date of written notice from the Lender to the Assignor.
- (b) "Obligations" shall mean all liabilities, indebtedness and obligations of any and every kind and nature, heretofore, now or hereafter owing, arising, due or payable from

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the Assignor to the Lender, howsoever evidenced, created, incurred, acquired or owing, whether primary, secondary, direct, contingent, fixed, joint and several, joint or several or otherwise, and whether arising under or evidenced by the Security Agreement or notes, instruments, bonds, financing agreements, interest rate swap or protection agreements, guaranties, deeds of trust, mortgages, security agreements, pledge agreements, subordination agreements or any other writing of any kind, type or description (together with all substitutions for and replacements of any of the foregoing), heretofore, now or hereafter executed and delivered by the Assignor or under which the Assignor is liable or has or may become liable, whether by assumption, operation of law or otherwise, together with any and all extensions and renewals of such liabilities, indebtedness and obligations.

- (c) "Trademarks" shall mean the trademarks and trademark applications of Assignor which are listed on <u>Schedule A</u> hereto, which trademarks and trademark applications are registered in the United States Patent and Trademark Office.
- 2. <u>Assignment</u>. Assignor hereby assigns, conveys and transfers to Lender, its successors and assigns, as security for the payment and performance of the Obligations, all of Assignor's right, title and interest in, to and under (i) the Trademarks, (ii) the goodwill of the business symbolized by the Trademarks, (iii) any right to sue for past, present and future infringements and all rights corresponding thereto, and (iv) the registration of the Trademarks with the United States Patent and Trademark Office; provided, however, that until the occurrence and continuance of an Event of Default, the Assignor may continue to use the Trademarks in its businesses and exercise the foregoing rights as if it had not made this Assignment to the Lender.
- 3. <u>Warranties and Representations of Assignor</u>. Assignor represents and warrants that:
- (a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;
- (b) To the best of Assignor's knowledge, each of the Trademarks is valid and enforceable;
- (c) The Trademarks and all rights associated with the registration thereof with the United States Patent and Trademark Office are solely and exclusively owned by Assignor and have not heretofore been assigned, conveyed or transferred by Assignor;
 - (d) Assignor has the right to make this Assignment; and
- (e) This Assignment will not violate any other agreement to which Assignor is a party or by which the assets of Assignor are bound.
- 4. <u>Duties of Assignor</u>. Assignor shall have the duty, through counsel acceptable to the Lender, to prosecute diligently trademark applications of the Trademarks pending as of the date of this Assignment or thereafter, if any, until the Obligations shall have been paid in full, to file and prosecute opposition and cancellation proceedings and to do any and

all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by Assignor. The Assignor shall not abandon any Trademark without the consent of the Lender, which consent shall not be unreasonably withheld. It is understood that this Assignment shall not impose, and the Lender shall not have, any duty or responsibility with respect to any registration, renewal, protection, maintenance, or any other matters related to the Trademarks.

- 5. <u>Termination</u>. This Assignment shall terminate and the Lender shall reassign all of its right, title and interest in the Trademarks to Assignor promptly upon the payment and performance in full of all Obligations.
- 6. <u>Inconsistent Agreements</u>. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Assignment, without the Lender's prior written consent.
- 7. Future Trademarks. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any future trademarks, the provisions of paragraph 2 hereof shall automatically apply thereto and Assignor shall give the Lender prompt written notice thereof. Assignor authorizes the Lender to modify this Assignment by amending Schedule A to include any future trademarks and trademark applications hereunder.
- 8. Assignor's Right To Use. Unless and until there shall have occurred and be continuing an Event of Default, the Lender hereby grants to the Assignor the exclusive, nontransferable right and license to use the Trademarks on and in connection with products sold by the Assignor and to exercise the rights set forth in paragraph 2 hereof for Assignor's own benefit and account and for none other. The Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license hereby granted to the Assignor, without the prior written consent of the Lender.
- Remedies. If any Event of Default shall have occurred and be continuing, Assignor's license under the Trademarks as set forth in paragraph 8 shall terminate forthwith, and the Lender shall have, in addition to all other rights and remedies given it by this Assignment, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located and, without limiting the generality of the foregoing, the Lender may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon all or from time to time any of the Trademarks, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Assignor or other person lawfully entitled thereto. Notice of any sale or other disposition of the Trademarks shall be given to the Assignor in accordance with applicable law before the time of any intended public or private sale or other

disposition of the Trademarks is to be made. At any such sale or other disposition, the Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of the Assignor, which right is hereby waived and released.

- 10. Attorney-In-Fact. If any Event of Default shall have occurred and be continuing, the Assignor hereby authorizes and empowers the Lender to make, constitute and appoint any officer or agent of the Lender, as the Lender may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for the Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any third person, or necessary for the Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to any third person. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Assignment.
- whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Lender in connection with the preparation of this Assignment and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by the Assignor on demand by the Lender and until so paid shall be added to the principal amount of the Obligations.
- 12. <u>No Waiver</u>. No course of dealing between the Assignor and the Lender, nor any failure to exercise, nor any delay in exercising, on the part of the Lender, any right, power or privilege hereunder or under the Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- 13. <u>Rights and Remedies Cumulative</u>. All of the Lender's rights and remedies with respect to the Trademarks, 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.
- 14. <u>Severability</u>. The provisions of this Assignment are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any clause or provision of this Assignment in any jurisdiction.

- 15. <u>Modification</u>. This Assignment is subject to modification only by a writing signed by the parties, except as provided in paragraph 7 hereof.
- 16. <u>Binding Effect</u>. The benefits and burdens of this Assignment shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.
- 17. <u>Paragraph Headings</u>. The titles to the paragraphs of this Assignment are solely for the convenience of the parties and shall not be used to explain, modify, simplify or aid in the interpretation of the provisions of this Assignment.

IN WITNESS WHEREOF, the Assignor and the Lender have executed this Assignment under seal on the day and date first appearing above.

Title:

ASSIGNOR:

NETWORK SYSTEMS INTERNATIONAL, INC.

Name: CHRISTOPHER N BAKER

ATTEST:

Name: William e RAY
Title: (Assistant) Secretary

[CORPORATE SEAL]

ATTEST:

[CORPOR

Name: KOBERT L. MAGE
Title: (Assistant) Secretary

White Strawminishing

LENDER:

WACHOVIA BANK, N.A.

By: 1. Ent helen

Name: W. ERICH TALLEY

Title: Vice President

COUNTY OF
COUNTY OF
I, Austral Inchasion, a Notary Public in and for the County of Inchasion, State of Inchasion do hereby certify that Inchasion C. Roy personally came before me this day and acknowledged that he/she is Secretary of Inchasion Inchasion, Assignor, and that, by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself/herself as its Secretary.
Witness my hand and notarial stamp or seal, this 18 of 1999.
Notary Public Commission Expires: [Notarial Stamp or Seal] May 16, 2004
STATE OF North Carolina) COUNTY OF Guilford)
I,
Witness my hand and notarial stamp or seal, this 20th of June, 1999.
Commission Expires: White Commission Commission

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