

03-15-2000



101290388

TRADEMARK

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # _____ Frame # _____

Conveyance Type

- Assignment
 - License
 - Security Agreement
 - Nunc Pro Tunc Agreement
 - Merger
 - Change of Name
 - Other Collateral Assignment and Security Agreement
- Effective Date
Month Day Year
9/23/99

Conveying Party

Mark if additional names of conveying parties attached Execution Date
Month Day Year
9/23/99

Name 3RE.COM, INC.

Formerly _____

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization Delaware

Receiving Party

Mark if additional names of receiving parties attached

Name General Electric Capital Corporation

DBA/KA/TA _____

Composed of _____

Address (line 1) 6100 Fairview Road, Suite 350

Address (line 2) _____

Address (line 3) Charlotte North Carolina 28210
City State/Country Zip Code

- Individual
 - General Partnership
 - Limited Partnership
 - Corporation
 - Association
 - Other _____
 - Citizenship/State of Incorporation/Organization New York
- If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached.
(Designation must be a separate document from Assignment.)

03/14/2000 DNGUYEN 00000061 75669782

FOR OFFICE USE ONLY

01 FC:481 40.00 OF
02 FC:482 50.00 OF
03 FC:483 15.00 OF

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Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002041 FRAME: 0116

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:
Deposit Account

Enclosed

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Thomas E. Graham

Thomas E. Graham

2/7/00

Name of Person Signing

Signature

Date Signed

**PATENT AND TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

THIS PATENT AND TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT is made as of 9/23, 1999 by **3RE.COM, INC.** ("Assignor") and General Electric Capital Corporation (the "Lender") in connection with a Loan and Security Agreement dated September 23, 1999 (as amended, modified, supplemented or restated from time to time, the "Loan Agreement") between the Assignor and the Lender. Unless the context clearly requires otherwise, capitalized terms shall have the meanings given to them in the Loan Agreement.

WITNESSETH

WHEREAS, subject to the terms and conditions of the Loan Agreement, the Lender has agreed to make Loans to the Assignor.

WHEREAS, it is a condition precedent to the obligations of the Lender under the Loan Agreement, that the Assignor shall have executed and delivered this Agreement, to secure the prompt and complete payment and performance of the Obligations.

AGREEMENT

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor and the Lender hereby agree as follows:

1. Defined Terms.

(a) "Agreement" means this Patent and Trademark Collateral Assignment and Security Agreement, as amended, supplemented or otherwise modified from time to time.

(b) "Termination Date" means the first date on which (i) all of the Obligations have been fully and irrevocably paid in cash and (ii) all of the commitments of the Lender to make the Loans under the Loan Agreement have expired or been terminated,

(c) Unless otherwise specified in this agreement, (i) the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and (ii) section references are to this Agreement.

(d) The meanings given to terms defined in this Agreement shall be equally applicable to both the singular and plural forms of such terms.

2. Security Interest. To secure the complete and timely payment and performance when due of all of the Obligations, Assignor hereby grants to the Lender a first priority lien on and perfected security interest in, with power of sale to the extent permitted by applicable law, all of Assignor's now owned or existing and hereafter acquired or arising:

(a) trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications, including, without limitation, the registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of Assignor's business symbolized by the, foregoing and connected therewith, and (v) all of Assignor's rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks");

(b) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether Assignor is a licensee or licensor under any such license agreement, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all assets now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to individually and/or collectively as the "Trademark Licenses");

(c) inventions, patents listed on Schedule B, patent applications, reissues, divisions, continuations, renewals, extensions, continuations-in-part and all rights corresponding thereto throughout the world, including (i) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (ii) the right to sue for past, present and future infringements and dilutions thereof (all of the foregoing are hereinafter referred to individually and/or collectively as the "Patents"); and

(d) rights under or interest in any patent license agreements with any other party, whether Assignor is a licensee or licensor under any such license agreement, and the right to prepare for sale and sell any and all assets now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to individually and/or collectively as the "Patent Licenses")

3. Restrictions on Future Agreements. Assignor will not, without the Lender's prior written consent and except where such actions are taken in the ordinary course of business, enter into any agreement which is inconsistent with this Agreement, including, without limitation, any license agreement, except with respect to license agreements entered into by Assignor consistent

with Assignor's reasonable business judgment, and Assignor further agrees that it will not take any action, and will use reasonable commercial efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Lender under this Agreement or the rights associated with the Patents, Trademarks, Patent Licenses or Trademark Licenses.

4. New-- Patents, Trademarks, Patent Licenses and Trademark Licenses. Assignor represents and warrants that to the best of its knowledge, from and after the date hereof, (a) the Trademarks listed on Schedule A include all of the registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by Assignor; (b) the Patents listed on Schedule B, include all of the United States Letters Patent now owned or held by Assignor; and (c) no Liens, claims or security interests in such Patents, Trademarks, Patent Licenses and Trademark Licenses have been granted by Assignor to any Person other than the Lender. If, prior to the termination of this Agreement, Assignor shall (i) obtain rights to any new Patents, Trademarks, Patent Licenses or Trademark Licenses or (ii) become entitled to the benefit of any Patents, Trademarks, Patent Licenses or Trademark Licenses, to the extent permissible, the provisions of Section 2 hereof shall automatically apply thereto. Assignor shall give to the Lender written notice of each event described in Clause (i) and (ii) of the preceding sentence promptly after the occurrence thereof. Assignor hereby authorizes the Lender to modify this Agreement unilaterally (i) by amending Schedule A to include any future Trademarks, amending Schedule B to include any future Patents and by adding a Schedule C to include any future Patent Licenses or Trademark Licenses and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedules A, B or C thereto, as the case may be, such future Patents, Trademarks, Patent Licenses or Trademark Licenses.

5. Royalties. Assignor hereby agrees that the Lender's rights to use the Patents, Trademarks, Patent Licenses or Trademark Licenses as authorized hereunder in connection with the Lender's exercise of its rights and remedies under this Agreement pursuant to Section 10 herein and under the Loan Agreement shall be coextensive with Assignor's rights thereunder and with respect thereto and the Lender shall have no liability to Assignor for royalties or other related charges due to Assignor on account of any such use.

6. Right to Inspect; Further-Assignments and Security Interests. The Lender may at all reasonable times during normal business hours and with reasonable frequency (and at any time after the occurrence and during the continuation of an Event of Default) have access to, examine, audit, make copies and extracts from and inspect Assignor's books, records and operations relating to the Patents, Trademarks Patent Licenses and Trademark Licenses, provided, however, that in conducting such inspections and examinations, the Lender shall use reasonable efforts not to disturb unnecessarily the conduct of Assignor's ordinary business operations. From and after the occurrence and during the continuation of an Event of Default, Assignor agrees that the Lender, or a conservator appointed by the Lender, shall have the right to establish such reasonable additional product quality controls as the Lender or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of

products sold or services rendered by Assignor under the Patents, Trademarks, Patent Licenses and the Trademark Licenses or in connection with which they are used. Assignor agrees that, if the Lender's Collateral will be materially impaired thereby, It will (a) not sell or assign its respective interests in, or grant any license under, the Patents, Trademarks, Patent Licenses or the Trademark Licenses without the prior and express written consent of the Lender, and (b) not change the level of quality of such products as of the date hereof,

7. Nature and Continuation of the Lender's -Security Interest, Termination of the Lender's Security Interest. This Agreement is made for collateral security purposes only, This Agreement shall create a continuing security interest in the Patents, Trademarks, Patent Licenses and Trademark Licenses and shall terminate on the Termination Date. When this Agreement has terminated, the Lender shall promptly execute and deliver to Assignor, at Assignor's request and expense, all termination statements and other instruments as may be necessary or proper to terminate the Lender's security interest in the Patents, Trademarks, Patent Licenses and the Trademark Licenses of Assignor, subject to any disposition thereof which may have been made by the Lender in accordance with applicable law and the terms of this Agreement and the Loan Agreement.

8. Duties of the Assignor. Assignor shall have the duty to: (a) prosecute diligently any patent application, trademark application or service mark application that is pending as of the date hereof or hereafter until the termination of this Agreement, and (b) make application for patents and material trademarks or material service marks, provided, however, that the duties set forth under subparagraphs (a) and (b) shall only apply to the extent Assignor determines that the actions under subparagraphs (a) and (b) are in the best business interests of Assignor. Assignor further agrees (i) not to abandon any material Patent or Trademark or material Patent License or Trademark License which is used in or useful to its business without the prior written consent of the Lender, except abandonment that Assignor deems reasonable in its business judgment and where the Lender-'s interest in the Collateral would not be materially impaired thereby, and (ii) to use its reasonable efforts to maintain in full force and effect the Patents, Trademarks, Patent Licenses and Trademark Licenses that are or shall be, in Assignor's reasonable business judgment, necessary or economically desirable in the operation of Assignor's business. Any expenses incurred in connection with the foregoing shall be borne by Assignor. The Lender shall not have any duty with respect to the Patents, Trademarks, Patent Licenses and Trademark Licenses. Without limiting the generality of the -foregoing, the Lender shall not be under any obligation to take any steps necessary to preserve such rights against any other parties, but the Lender may do so at its option from and after the occurrence (and during the continuance) of an Event of Default, and all reasonable and, in the commercially reasonable business judgment of the Lender, necessary, expenses incurred in connection therewith shall be for the sole account of Assignor and shall be added to the Obligations secured hereby.

9. The Lender's Right to Sue. From and after the occurrence and during the continuation of an Event of Default, the Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Patent Licenses and the Trademark Licenses and, if the Lender shall commence any such suit, Assignor shall, at the request of the Lender, do any and all lawful acts and execute any and all proper documents

required in aid of such enforcement and requested by the Lender. Assignor shall, upon demand, promptly reimburse the Lender for all reasonable and, in the commercially reasonable business judgment of the Lender, necessary, costs and expenses incurred by it in the exercise of its rights under this Section 9 (including, without limitation, reasonable and, in the commercially reasonable business judgment of the Lender, necessary, fees and expenses of attorneys for the Lender). In the event the Lender shall commence any such enforcement action, the Lender shall use its reasonable efforts to provide Assignor with ten (10) days prior written notice thereof, and shall provide Assignor with an opportunity to participate in any such action, at Assignor's expense.

10. Power of Attorney. Cumulative Remedies.

(a) Assignor hereby irrevocably designates, constitutes and appoints the Lender (and all Persons designated by the Lender in its sole and absolute discretion) as Assignor's true and lawful attorney-in-fact, and to the extent permitted by applicable law authorizes the Lender and any of the Batik's designees, in Assignor's or the Lender's name, to take any action and execute any instrument which the Lender may deem necessary or advisable to accomplish the purposes of this Agreement, if Assignor fails to take such action or execute such instrument within a reasonable time after the Lender's written request therefor, from and after the occurrence and during the continuation of an Event of Default and the giving by the Lender of notice to Assignor of the Lender's intention to enforce its rights and claims against Assignor, including, without limitation, to the extent permitted by applicable law, authorization to (i) endorse Assignor's name on all applications, documents, papers and instruments necessary or, in the commercially reasonable business judgment of the Lender, desirable, for the Lender in the use of the Patents, Trademarks, Patent Licenses or the Trademark Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks Patent Licenses or the Trademark Licenses to anyone in a commercially reasonable manner and on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Patents or Trademarks or, to the extent permitted, under the Patent Licenses or Trademark Licenses, to anyone in a commercially reasonable manner and on commercially reasonable terms, and (iv) take any other actions with respect to the Patents, Trademarks Patent Licenses or the Trademark Licenses as the Lender, in its commercially reasonable business judgment, deems necessary. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until the Termination Date shall have been terminated, Assignor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Lender under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

(b) The Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies 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 or tile Trademark Licenses may be located or deemed located. Upon the occurrence and during the continuation of an Event of Default and the election by the Lender to exercise any of its remedies under Section 9-504 of the Uniform Commercial Code with

respect to the Patents, Trademarks Patent Licenses and Trademark Licenses, Assignor agrees to assign, convey and otherwise transfer title in and to the Patents, Trademarks Patent Licenses and the Trademark Licenses to the Lender or any transferee of the Lender and to execute and deliver to the Lender or any such transferee all such agreements, documents and instruments as may be necessary, in the exercise of the Lender's commercially reasonable judgment, to effect such assignment, conveyance and transfer. All of the Lender's rights and remedies with respect to the Patents, Trademarks Patent Licenses and the Trademark Licenses, whether established hereby, by the Loan Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently, It is hereby expressly agreed that upon the occurrence and during the continuation of an Event of Default, the Lender may exercise any of the rights and remedies provided in this Agreement and any other of the other Loan Documents,, in accordance with the terms hereof and thereof and to the extent permitted by applicable law.

11. Invalidity. If any provision of this Agreement or any of the other Loan Documents shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any other provision of this Agreement or of the other Loan Documents that can be given effect without the invalid provision, and this Agreement and the other Loan Documents shall be construed as if such invalid or unenforceable provisions had never been contained herein.

12. Modification, Entire Agreement; Waiver.

(a) This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 2 and Section 4 hereof or by a writing signed by the parties hereto,

(b) This Agreement contains the entire agreement between the Lender and the Assignor pertaining to the subject matter hereof and there arc no promises, agreements, conditions, undertakings, warranties or representations, either written or oral, expressed or implied, between the Lender and the Assignor other than as set forth or referenced in this Agreement. The Lender and the Assignor intend this Agreement to be an integration of all prior and contemporaneous promises, agreements, conditions, undertakings, warranties and representations between the Lender and the Assignor pertaining to the subject matter hereof.

(c) The Lender shall not by any act (except in accordance with Section 12(a) of this Agreement), any failure to act, or any delay in acting be deemed to have (i) waived any right or remedy under this Agreement or under any of the other Loan Documents, or (ii) acquiesced in any Event of Default or in any breach of any of the terms and conditions of this Agreement or any of the other Loan Documents or (iii) affected or diminished any right of the Lender thereafter to demand strict compliance and perform with the terms of this Agreement and the other Loan Documents. No failure to exercise, nor any delay in exercising, any right, power or privilege of the Lender under this Agreement or under any of the other Loan Documents shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege of the Lender under this Agreement or under any of the other Loan Documents shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by, or

on behalf of, the, Lender of any right or remedy under this Agreement or under any of the other Loan Documents on any one occasion shall not be construed as a bar to any right or remedy that the Lender would otherwise have on any future occasion.

13. Headings. The headings preceding the text of the sections and subsections in this Agreement are used solely for convenience of reference and shall not affect the meaning, construction or effect of this Agreement.

14. Benefit. This Agreement shall inure to the benefit of, and shall be binding upon the respective successors and permitted assigns of the parties hereto. The Assignor may not assign any of its rights, or delegate any of its duties or obligations under this Agreement without the prior written consent of the Lender.

15. Governing Law. The validity and effect of this Agreement shall be determined by reference to the substantive laws of the State of North Carolina without regard to the principles of conflicts of laws, except to the extent that such other laws may govern the grant and perfection of a security interest in the Collateral.

16. Consent to Jurisdiction: Waiver of Jury Trial.

A. EXCEPT AS PROHIBITED BY LAW, EACH PARTY HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

B. ASSIGNOR IRREVOCABLY SUBMITS AND CONSENTS TO THE JURISDICTION OF ANY NORTH CAROLINA SUPERIOR OR FEDERAL COURT SITTING IN NORTH CAROLINA OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE LOAN DOCUMENTS, AND ASSIGNOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NORTH CAROLINA SUPERIOR OR FEDERAL COURT, ASSIGNOR AGREES THAT SERVICE OF COPIES OF ANY SUMMONS AND COMPLAINT AND ANY OTHER PROCESS WHICH MAY BE SERVED IN ANY SUCH ACTION MAY BE MADE BY MAILING BY REGISTERED MAIL OR DELIVERING A COPY OF SUCH PROCESS TO ASSIGNOR AT ASSIGNOR'S ADDRESS AS SPECIFIED IN SECTION 10.5 OF THE LOAN AGREEMENT.

17. Notices. All notices or other communications hereunder shall be given in the manner as provided by Section 9.6 of the Loan Agreement.

18. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. Relationship of the Parties. The relationship between the Lender and Assignor is that of creditor and debtor. This Agreement shall not create any rights or options or claims in any entity not a signatory hereof. Under no circumstances is such a relationship to be construed as creating a partnership or joint venture.

20. Further Assurances. From time to time, Assignor shall execute and deliver to the Lender such additional instruments as the Lender may reasonably request to effectuate the purposes of this Agreement and to assure the Lender as secured party a valid first priority security interest in and Lien on the Trademark Collateral.

21. Default. Any Event of Default which occurs and is continuing shall constitute a default under this Agreement, and any default under this Agreement following the expiration of any notice and grace period provided with respect to such default, shall constitute a Default under each other Loan Document, and in any such event (unless such Default or Event of Default shall have been waived by the Lender or cured), the Lender shall be entitled to exercise its rights and remedies under the Loan Documents, or under this Agreement, or as may otherwise be available to the Lender at law or in equity, in such order as the Lender may elect.

22. Recordation of Agreement. The Lender intends to record this Agreement with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, Assignor has duly executed this Agreement as of the day and year first above written.

3RE.COM, Inc.

By: R. Clay Garg
Name: R. Clay Garg
Title: Secretary / Treasurer

By its acceptance hereof as of the day and year first above written, the Lender agrees to be bound by the provisions hereof.

General Electric Capital Corporation

By: P. B. Cooney
Name: Peter B. Cooney
Title: Duly Authorized Representative

Schedule A

<u>Mark</u>	<u>Registration/Application no.</u>	<u>Goods/services</u>
Delivering Offsite Logistic Solutions Through The Power of the Internet	75/669782	Repair and upgrading services for business computer communications equipment, and managing computer and communications parts inventories for customers for purposes of repair and maintenance
LMI Logistics Management Inc.	1950234	same as above
Imi Logistics Management @ Internet	75/669783	same as above
Computer Closeout Center (and design)	2152004	Retail store, mail order catalog, on-line retail store and wholesale distributorship services featuring new, used and refurbished computer systems, computer systems, computer system components and computer system peripheral equipment

Schedule B

Patent Number

Description

Date of Registration

5,311,397

Computer with modules readily
replaceable by unskilled personnel

May 10, 1994

02/11/1944

01/11/1994 5622500