

12-15-2000



101553256

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 Assignment

Merger  Effective Date  
Month Day Year

Change of Name

Other

Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AK/AITA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

Individual  General Partnership  Limited Partnership  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.)

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

12/14/2000 MTHAII 00000312 75311436

FOR OFFICE USE ONLY

01 FC:481 40.00 GP  
02 FC:482 350.00 GP

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 Officer, 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. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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: 002195 FRAME: 0751

**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 Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

<input type="text" value="75311438"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1450541"/>	<input type="text" value="2221280"/>	<input type="text" value="1419796"/>
<input type="text" value="75311386"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2241491"/>	<input type="text" value="1969485"/>	<input type="text" value="1450541"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1869407"/>	<input type="text" value="2308224"/>	<input type="text" value="1457258"/>

**Number of Properties** Enter the total number of properties involved.

#

**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment: Enclosed  Deposit Account

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

Deposit Account Number: #

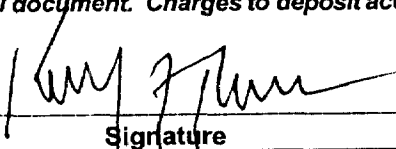
Authorization to charge additional fees: Yes  No

**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.

KERRY J. TURNER

Name of Person Signing

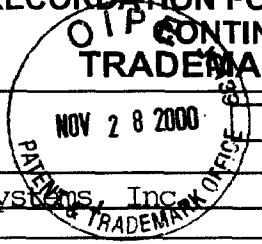


Signature

9/21/00

Date Signed

RECORDATION FORM COVER SHEET



**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name Unicom Systems, Inc

07-24-2000

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization California

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name Imperial Bank

DBA/AKA/TA Attn: Kerry J. Turner, Senior Vice President

Composed of

Address (line 1) 15303 Ventura Boulevard

Address (line 2)

Address (line 3) Sherman Oaks California 91403-3110  
City State/Country Zip Code

Individual  General Partnership  Limited Partnership

Corporation  Association

Other

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 the Assignment.)

Citizenship/State of Incorporation/Organization California Banking Corp.

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

Mark if additional numbers attached

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

Trademark Application Number(s)

Registration Number(s)


1925122		
1869407		
1930670		
1869408		



**CREDIT AGREEMENT**

This Credit Agreement (this "Agreement") is made and entered into on July 24, 2000, by and between **Unicom Systems Inc.**, a California corporation ("Borrower"), and **Imperial Bank**, a California banking corporation ("Bank").

Subject to the terms and conditions of this Agreement, any security agreement(s) executed by Borrower in favor of Bank, any note(s) executed by Borrower in favor of Bank, or any other agreements executed in conjunction therewith (collectively, the "Loan Documents"), Bank shall make the loan(s) and or advance(s) (individually a "Loan" and collectively "Loans") referred to below to Borrower.

In consideration of mutual covenants and conditions hereof, the parties hereto agree as follows:

1. **AMOUNT AND TERMS OF CREDIT**

1.01 **Term Loan Commitment.**

(a) **Term Loan.** Subject to the terms and conditions of this Agreement, Bank shall make available to Borrower a term loan (the "Term Loan") in the amount of **\$6,500,000**, the proceeds of which shall be used only for the acquisition of certain assets of Technologic Software Concepts, Inc.

(b) **Term Loan Note.** The interest rate, payment- terms, maturity date and certain other terms of the Term Loan will be contained in a promissory note dated the date of this agreement, and subject to the provisions of the LIBOR Addendum attached thereto, as each such may be amended or replaced from time to time.

1.02 **Costs and Expenses.** In addition to any other amounts due, or to become due, concurrently with the execution hereof, Borrower agrees to pay to Bank all out-of-pocket costs and expenses incurred by Bank in the preparation of this Agreement, the other Loan Documents and the perfection of any security interest granted to Bank by Borrower.

1.03 **Collateral.** Borrower shall grant or cause to be granted to Bank a first priority lien on any and all personal property assets of Borrower which are assigned or hereafter are assigned to Bank as security or in which Bank now has or hereafter acquires a security interest or pursuant to the terms of any security agreement, any intellectual property security agreement or otherwise (collectively, the "Collateral") as security for all of Borrower's obligations to Bank, all as may be subject to Section 5.03 hereof.

1.04 **Collection of Payments.** Borrower authorizes Bank to collect all interest, fees, costs, and/or expenses due under this Agreement by charging Borrower's demand deposit account number 10089921 with Bank, or any other demand deposit account maintained by Borrower with Bank, for the full amount thereof. Should there be insufficient funds in any such demand deposit account to pay all such sums when due, the full amount of such deficiency shall be immediately due and payable by Borrower.

2. **REPRESENTATIONS OF BORROWER**

Borrower represents and warrants that:

2.01 **Existence and Rights.** Borrower is a corporation, duly organized and existing and in good standing under the laws of the state of California, which shall survive at least five years beyond the maturity of any Loans hereunder. Each Borrower is authorized and in good standing to do business in the state of its incorporation; each Borrower has the appropriate powers and adequate authority, rights and franchises to own its property and to carry on its business as now conducted, and is duly qualified and in good standing in each state in which the character of the properties owned by it therein or the conduct of its business makes such qualification necessary; and Borrower has the power and adequate authority to make and carry out this Agreement. Borrower has no investment in any other business entity unless specified in writing to Bank.

2.02 **Agreement Authorized.** The execution, delivery and performance of this Agreement and the Loan Documents are duly authorized and do not require the consent or approval of any governmental body or other regulatory authority; are not in contravention of or in conflict with any law or regulation or any term or provision of Borrower's articles of incorporation or similar document as the case may be, and this Agreement is the valid, binding and legally enforceable obligation of Borrower in accordance with its terms; subject only to bankruptcy, insolvency or similar laws affecting creditors rights generally.

2.03 **No Conflict.** The execution, delivery and performance of this Agreement and the Loan Documents are not in contravention of or in conflict with any agreement, indenture or undertaking to which Borrower is a party or by which it or any of its property may be bound or affected, and do not cause any lien, charge or other encumbrance to be created or imposed upon any such property by reason thereof.

2.04 **Litigation.** Except as disclosed in writing to Bank by Borrower, there is no litigation or other proceeding pending or threatened against or affecting Borrower which if determined adversely to Borrower or its interest would have a material adverse effect on the financial condition of Borrower, and Borrower is not in default with respect to any order, writ, injunction, decree or demand of any court or other governmental or regulatory authority.

2.05 **Financial Condition.** The balance sheet of Borrower as of **March 31, 2000**, and the related profit and loss statement for the three months (3) period ended as of that date, a copy of which has heretofore been delivered to Bank by Borrower, and all other statements and data submitted in writing by Borrower to Bank in connection with this request for credit are true and correct, and said balance sheet truly presents the financial condition of Borrower as of the date thereof, and has been prepared in accordance with generally accepted accounting principles on a basis consistently maintained. Since such date there have been no material adverse changes in the financial condition or business of Borrower. Borrower has no knowledge of any liabilities, contingent or otherwise, at such date not reflected in said balance sheet, and Borrower has not entered into any special commitments or substantial contracts which are not reflected in said balance sheet, other than in the ordinary and normal course of its business, which may have a materially adverse effect upon its financial condition, operations or business as now conducted.

2.06 **Title to Assets.** Borrower has good title to its assets, and the same are not subject to any liens or encumbrances other than those permitted by Section 5.03 hereof.

2.07 **Tax Status.** Borrower has no liability for any delinquent state, local or federal taxes, and, if Borrower has contracted with any government agency, Borrower has no liability for renegotiation of profits.

2.08 **Trademarks, Patents.** Borrower, as of the date hereof, possesses all necessary trademarks, trade names, copyrights, patents, patent rights, and licenses to conduct its business as now operated, without any known conflict with the valid trademarks, trade names, copyrights, patents and license rights of others.

2.09 **Regulation U.** None of the proceeds of any Loan shall be used to purchase or carry margin stock (as defined within Regulation U of the Board of Governors of the Federal Reserve system).

2.10 **ERISA.** All defined benefit pension plans as defined in the Employees Retirement Income Security Act of 1974, as amended ("ERISA"), of Borrower meet, as of the date hereof, the minimum funding standards of Section 302 of ERISA, and no Reportable Event or Prohibited Transaction as defined in ERISA has occurred with respect to any such plan.

2.11 **Intellectual Property Collateral.** Borrower is the sole owner of all intellectual property pledged to Bank as Collateral for its obligations to Bank under this Agreement (collectively, the "Intellectual Property Collateral"), except for non-exclusive licenses granted by Borrower to its customers in the ordinary course of business. Each of the patents pledged to Bank as Intellectual Property Collateral is valid and enforceable, and no part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of such Intellectual Property Collateral violates the rights of any third party.

### 3. CONDITIONS PRECEDENT TO LOAN

Prior to Bank being obligated to make any Loan pursuant to this Agreement, Bank must receive all of the following, each of which must be in form and substance satisfactory to Bank:

3.01 **Promissory Note(s).** Original, executed promissory note(s) as applicable.

3.02 **Security Agreement.** Original, executed security agreement(s) covering the personal property collateral securing the Loans and the Guaranty, and/or a deed(s) of trust covering any real estate collateral.

3.03 **Financing Statement.** Financing statement(s) executed by Borrower and any grantor of a security interest.

3.04 **Guarantee(s).** Continuing Guarantee(s) in favor of Bank executed by Corry S. Hong and Christine Hong, in the total amount of \$6,500,000, (individually a "Guarantor" and jointly the "Guarantors").

3.05 **Guarantor Pledge(s).** Guarantors shall grant, or shall caused to be granted, Bank a third priority security interest in that certain real property located at 1032 Cove Way, Beverly Hills, CA 90210 as collateral for all obligations of Guarantors to Bank under Guarantee(s).

3.06 **Insurance.** Borrower shall have delivered to Bank evidence of insurance coverage required pursuant to that Agreement to Provide Insurance executed by Borrower, in form, substance, amounts, covering risks and issued by companies satisfactory to Bank, and where required by Bank, with Lenders Loss Payable endorsement in favor of Bank.

3.07 **Organizational Documents.** Copies of the articles of incorporation, or similar document as the case may be, of any Borrower and any Guarantor.

3.08 **Authorizations.** Certified copies of all action taken by any Borrower and any grantor of a security interest to authorize the execution, delivery and performance of the Loan Documents.

3.09 **Good Standing .** Good standing certificates from the appropriate secretary of state of the state in which any Borrower is organized and in each state in which it is required to be qualified to do business.

3.10 **Due Diligence.** Bank shall have completed its due diligence requirements with respect to Borrower and each Guarantor, including audits, financial and legal survey, reference and background checks the results of which shall be in each case shall be satisfactory to Bank in its sole discretion.

3.11 **Appraisal of Guarantor Collateral.** Bank shall have received an appraisal of that certain real property to be pledged to Bank as collateral for the Guarantee(s), in form and substance and issued by an appraiser satisfactory to Bank, reflecting an appraised value therein of not less than \$3,400,000 prior to the imposition of Bank's lien thereon.

3.12 **Credit Agreement.** This Agreement executed by Borrower.

3.13 **Additional Documents.** Such other documents as Bank may reasonably deem necessary.

3.14 **Condition Subsequent.** Borrower shall enter into intellectual property security agreement(s) covering Borrower's the Intellectual Property Collateral securing the Loans, each in form and substance satisfactory to Bank, on or before the date that is forty five (45) days from the date hereof, or such later date as Bank shall consent to in writing; provided, however, that any event Borrower shall enter into such intellectual property security agreements on or before the date that is sixty (60) days from the date hereof.

#### 4. **AFFIRMATIVE COVENANTS OF BORROWER**

Borrower agrees that so long as it is indebted to Bank, under borrowings, or other indebtedness, or so long as Bank has any obligation to extend credit to Borrower it will, unless Bank shall otherwise consent in writing:

4.01 **Rights and Facilities.** Maintain and preserve all rights, franchises and other authority adequate for the conduct of its business; maintain its properties, equipment and facilities in good order and repair; conduct its business in an orderly manner without voluntary interruption and, if a corporation or partnership, maintain and preserve its existence.

4.02 **Use of Proceeds.** Use the proceeds of the Loans only for purposes specified in Section 1 of this Agreement.

4.03 **Insurance.** Maintain public liability, property damage and workers' compensation insurance and insurance on all its insurable property against fire and other hazards with responsible insurance carriers to the extent usually maintained by similar businesses and/or in the exercise of good business judgment, and as required by that Agreement to Provide Insurance executed by Borrower, with the Bank to be shown as Lenders Loss Payee on such policies.

4.04 **Taxes and Other Liabilities.** Pay and discharge, before the same become delinquent and before penalties accrue thereon, all taxes, assessments and governmental charges upon or against it or any of its properties, and all its other liabilities at any time existing, except to the extent and so long as:

(a) The same are being contested in good faith and by appropriate proceedings in such manner as not to cause any materially adverse effect upon its financial condition or the loss of any right of redemption from any sale thereunder; and

(b) It shall have set aside on its books reserves (segregated to the extent required by generally accepted accounting practice) deemed by it to be adequate with respect thereto.

4.05 **Records and Reports.** Maintain a standard and modern system of accounting in accordance with generally accepted accounting principles on a basis consistently maintained; permit Bank's representatives to have access to, and to examine its properties, books and records at all reasonable times and upon reasonable notice during normal business hours; and furnish Bank:

(a) **Quarterly Financial Statement.** As soon as available, and in any event within forty-five (45) days after the close of each quarter, a consolidated report of Company, all in reasonable detail, prepared on a compilation basis by an independent certified public accountant selected by Borrower and reasonably acceptable to Bank, , in accordance with generally accepted accounting principles on a basis consistently maintained by Borrower and certified by an appropriate officer of Borrower;

(b) **Annual Financial Statement.** As soon as available, and in any event within On Hundred Twenty (120) days after and as of the close of each fiscal year of Borrower, a consolidated report of Company, all in reasonable detail, prepared on a review basis by an independent certified public accountant selected by Borrower and reasonably acceptable to Bank, in accordance with generally accepted accounting principles on a basis consistently maintained by Borrower and certified by an appropriate officer of Borrower;

(c) **Audit Reports.** Promptly after the receipt thereof by Borrower, copies of any detailed audit reports submitted to Borrower by independent accountants in connection with each annual or interim work on the accounts of Borrower made by such accountants;

(d) **Accounts Receivable and Accounts Payable Agings.** Within ten (10) days from each quarter-end, deliver to Bank a detailed accounts receivable aging and a detailed accounts payable aging. All the foregoing will be in a form and with such detail as Bank may request from time to time;



(e) **Guarantors' Financial Statements.** Cause each Guarantor to submit to Bank such Guarantor's financial statement, confirmed as to its correctness by Guarantor's signature, either on Bank's form or prepared by an independent certified public accountant together with a completed copy of such Guarantor's federal income tax return and all supporting schedules for the previous calendar year, no later than April 30<sup>th</sup> of each year. In the event Guarantor files for an extension on his federal tax return, a copy of the extension is to be submitted within ten (10) days of filing. A copy of the federal income tax return is then due within ten (10) days of filing;

(f) **Intellectual Property.** Within thirty (30) days of the last day of each month, a report signed by Borrower, in form reasonably acceptable to Bank, listing any applications or registrations that Borrower has made or filed in respect of any patents, copyrights or trademarks and the status of any outstanding applications or registrations, as well as any material change in Borrower's Intellectual Property Collateral, including but not limited to any subsequent ownership right of Borrower in or to any trademark, patent or copyright not specified in any schedules and exhibits to the intellectual property security agreement entered into by Borrower in connection with this Agreement; and

(g) **Other Information.** Such other information relating to the affairs of Borrower as the Bank reasonably may request from time to time.

4.06 **Fixed Charge Coverage Ratio.** Maintain quarterly on a consolidated basis, a Fixed Charge Coverage Ratio of not less than 2.00 to 1.00. Fixed Charge Coverage Ratio is defined as the ratio of (EBITDA, less state and federal income taxes actually paid, less permitted dividends paid, less unfinanced capital expenditures) divided by (current maturities of Long Term Debt, plus capital lease expense, plus interest expense). EBITDA shall mean the sum of (a) net income after taxes, plus (b) interest expense, plus (c) accrued federal and state income taxes, plus (d) depreciation and amortization expense, plus (e) non-cash acquisition costs.. Long Term Debt shall mean those debts or renewals or extensions thereof whose original terms exceed one (1) year.

4.07 **Funded Debt to EBITDA.** Maintain quarterly on a consolidated basis a ratio of Funded Debt to EBITDA of not more than 1.25 to 1.00 until December 31, 2001 and 1.00 to 1.00 for all measurement periods thereafter. Funded Debt shall mean all liabilities of whatever nature or duration consisting of indebtedness for borrowed money or indebtedness (including obligations under capital leases) incurred to finance the purchase of any asset, plus letter of credit obligations. EBITDA shall mean the sum of (a) net income after taxes, plus (b) interest expense, plus (c) accrued federal and state income taxes, plus (d) depreciation and amortization expense, plus (e) non-cash acquisition costs. Long Term Debt shall mean those debts or renewals or extensions thereof whose original terms exceed one (1) year.

4.08 **Profitability.** Maintain profitable operations (meaning a net profit after taxes) of at least \$1.00 on a quarterly basis.

4.09 **ERISA.** Cause all defined benefit pension plans, as defined in ERISA, of Borrower to, at all times, meet the minimum funding standards of Section 302 of ERISA, and ensure that no Reportable Event or Prohibited Transaction, as defined in ERISA, will occur with respect to any such plan.

4.10 **Laws.** At all times comply with, or cause to be complied with, all laws, statues, rules, regulations, orders and directions of any governmental authority having jurisdiction over Borrower or Borrower's business.

4.11 **GAAP.** Compliance with all financial covenants shall be calculated based on generally accepted accounting principles applied on a consistent basis as maintained by Borrower.

4.12 **Operating Accounts.** Maintain all primary accounts and banking relationship with the Bank. Maintain, or cause to be maintained, on deposit with Bank, non-interest bearing demand deposit balances sufficient to compensate Bank for all services provided by Bank. Balances shall be calculated after reduction for the reserve requirement of the Federal Reserve Board and uncollected funds. Any deficiencies shall be charged directly to the Borrower on a monthly basis.

4.13 **Notices.** Promptly notify Bank in writing of (i) the occurrence of any Event of Default hereunder or any event which upon notice and lapse of time would be an Event of Default; (ii) all litigation affecting Borrower where the amount is \$100,000 or more; any substantial dispute which may exist between Borrower and any governmental regulatory body or law enforcement authority; any change in Borrower's name or principal place of business; or any other matter which has resulted or might result in a material adverse change in Borrower's financial condition or operations.

4.14 **Registration of Intellectual Property Rights.**

(a) Register or cause to be registered on an expedited basis (to the extent not already registered) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable: (i) those intellectual property rights listed on any schedules or exhibits to the intellectual property security agreement entered into by Borrower in connection with this Agreement, within thirty (30) days of the date of this Agreement; provided, however, that any event Borrower shall register all such intellectual property rights on or before the date that is forty five (45) days from the date hereof, (ii) all registerable intellectual property rights Borrower has developed as of the date of this Agreement but heretofore failed to register, within (thirty) 30 days of the date hereof, or such later date as Bank shall consent to in writing; provided, however, that any event Borrower shall register all such intellectual property rights on or before the date that is forty five (45) days from the date hereof, and (iii) those additional intellectual property rights developed or acquired by Borrower from time to time in connection with any product, prior to the sale or licensing of such product to any third party, and prior to Borrower's use of such product (including without limitation major revisions or additions to the intellectual property rights listed on such schedules or exhibits to the intellectual property security agreement). Borrower shall give Bank notice of all such applications or registrations.

(b) Execute and deliver such additional instruments and documents from time to time as Bank shall reasonably request to perfect Bank's security interest in the Intellectual Property Collateral.

(c) Protect, defend and maintain the validity and enforceability of the trademarks, patents and copyrights and use its best efforts to detect infringements of the trademarks, patents and copyrights and promptly advise Bank in writing of material infringements detected. Not allow any material trademarks, patents or copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Bank, which shall not be unreasonably withheld.

(d) That Bank may audit Borrower's Intellectual Property Collateral to confirm compliance with this Section 4.14, provided such audit may not occur more often than once per year, unless an Event of Default has occurred and is continuing. Bank shall have the right, but not the obligation, to take, at Borrower's sole expense, any actions that Borrower is required under this Section 4.14 to take but which Borrower fails to take, after 15 days' notice to Borrower. Borrower shall reimburse and indemnify Bank for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section 4.14.

## 5. NEGATIVE COVENANTS OF BORROWER

Borrower agrees that so long as it is indebted to Bank, or so long as Bank has any obligation to extend credit to Borrower, unless Bank shall otherwise consent in writing, Borrower will not:

5.01 **Type of Business; Management; Change in Control.** Make any substantial change in the character of its business; make any change in its executive management; or permit the current shareholders to decrease their ownership in Borrower.

5.02 **Outside Indebtedness.** Create, incur, assume or permit to exist any indebtedness for borrowed moneys other than Loans from the Bank except obligations now existing as shown in the financial statement dated **March 31, 2000**, excluding those obligations being refinanced by Bank or sell or transfer, either with or without recourse, any accounts or notes receivable or any moneys due or to become due.

5.03 **Liens and Encumbrances.** Create, incur, permit to exist, or assume any mortgage, pledge, encumbrance, lien or charge of any kind upon any asset now owned or hereafter acquired by it, other than liens for taxes not delinquent and liens in Bank's favor and other than liens agreed to in writing by Bank.

5.04 **Loans, Investments, Secondary Liabilities.** Make any loans or advances to any person or other entity other than in the ordinary and normal course of its business as now conducted or make any investment in the securities of any person or other entity other than the United States Government; or guarantee or otherwise become liable upon the obligation of any person or other entity, except by endorsement of negotiable instruments for deposit or collection in the ordinary and normal course of its business.

5.05 **Acquisition or Sale of Business; Merger or Consolidation.** Purchase or otherwise acquire the assets or business of any person or other entity; or liquidate, dissolve, merge or consolidate, or commence any proceedings therefor; or sell any assets except in the ordinary and normal course of its business as now conducted; or sell, lease, assign, or transfer any substantial part of its business or fixed assets, or any property or other assets necessary for the continuance of its business as now conducted, including without limitation the selling of any property or other asset accompanied by the leasing back of the same.

5.06 **Dividends and Distributions.** Declare or pay any dividend or make any other distribution on any of its capital stock now outstanding or hereafter issued or purchase, redeem or retire any of such stock other than in dividends or distributions payable in Borrower's capital stock, except for the repurchase of Borrower's capital stock from officers, directors, employees or consultants of Borrower upon

termination of their employment with or rendering of service to Borrower provided that as long as the Borrower is an S Corporation, the Borrower may make distributions to its shareholders in an amount necessary to pay the shareholders income tax resulting from the shareholders ownership in the Borrower.

## 6. EVENTS OF DEFAULT

The occurrence of any of the following events of default ("Events of Default") shall, at Bank's option, terminate Bank's commitment to lend and make all sums of principal and interest then remaining unpaid on all Borrower's indebtedness to Bank immediately due and payable, all without demand, presentment or notice, all of which are hereby expressly waived:

6.01 **Failure to Pay.** Failure to pay any installment of principal or of interest on any indebtedness of Borrower to Bank within ten (10) days of its due date.

6.02 **Breach of Covenant.** Failure of Borrower to perform any of the covenants contained in Sections 4.05, 4.06, and 4.07 and/or Section 5 of this Agreement, or the failure of Borrower to perform in any material respect any other term or condition of this Agreement, any other Loan Document or any other document, instrument or agreement with or in favor of Bank entered into by or binding upon Borrower.

6.03 **Breach of Warranty.** Any of Borrower's representations or warranties made herein or any statement or certificate at any time given in writing pursuant hereto or in connection herewith shall be false or misleading in any respect.

6.04 **Insolvency; Receiver or Trustee.** Borrower shall become insolvent; or admit its inability to pay its debts as they mature; or make an assignment for the benefit of creditors; or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business.

6.05 **Judgments, Attachments.** Any money judgment in excess of \$250,000, writ or warrant of attachment, or similar process shall be entered or filed against Borrower or any of its assets and shall remain unvacated, unbonded or unstayed for a period of fifteen (15) days or in any event later than five (5) days prior to the date of any proposed sale thereunder.

6.06 **Bankruptcy.** Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against Borrower and, if instituted against it, shall not be dismissed within thirty (30) days thereafter.

6.07 **Revocation of Guarantee or Subordination Agreement.** Any guarantee or subordination agreement required hereunder is breached or becomes ineffective; or any Guarantor or subordination creditor disavows or attempts to revoke or terminate such guarantee or subordination agreement.

6.08 **Ownership.** Any change in ownership which results in the Guarantors collectively owning less than one hundred percent (100%) of Borrower's voting stock.

6.09 **Cessation of Business.** Borrower shall voluntarily suspend its business.

6.10 **Adverse Change.** Any change which, in the opinion of Bank, is materially adverse to the financial condition of Borrower or any Guarantor; or should Bank, for any reason, believe that the prospect of Borrower's payment or performance hereunder or under any other agreement or instrument with Bank be impaired.

6.11 **Other Defaults.** Borrower, or any Guarantor of Borrower's obligations to Bank, shall commit or do or fail to commit or do any act or thing which would constitute an event of default under any of the terms of any other agreement, document or instrument executed or to be executed by it concerning the obligation to pay money.

6.12 **Advances.** Notwithstanding anything to the contrary contained herein, Bank shall have no duty to make advances while any event of default exists notwithstanding any cure period provided for herein.

## 7. MISCELLANEOUS PROVISIONS

7.01 **Failure or Indulgence Not Waiver.** No failure or delay on the part of Bank or any holder of notes issued hereunder, in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. All rights and remedies existing under this Agreement or any note (s) issued in connection with a Loan that Bank may make hereunder, are cumulative to, and not exclusive of, any rights or remedies otherwise available.

7.02 **Counterparts; Entire Agreement.** This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. This Agreement, and the other Loan Documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and [supersedes] [amends and restates in full] any prior agreements, written or oral, with respect thereto.

7.03 **Attorney's Fees.** In addition to all documentation fees payable pursuant to Section 1.02 hereof, if, at any time or times regardless of whether an Event of Default then exists, Bank incurs legal or accounting expenses or any other costs or out-of-pocket expenses in connection with (a) the negotiation and preparation of this Agreement or any of the other Loan Documents, any amendment of or modification of this Agreement or any of the other Loan Documents, (b) the administration of this Agreement or any of the other Loan Documents and the transactions contemplated hereby and thereby, (c) any litigation, contest, dispute, suit, proceeding or action (whether instituted by Bank, Borrower, or any other person) in any way relating to the Collateral, this Agreement or any of the other Loan Documents or Borrower's affairs, (d) any attempt to enforce any rights of Bank against Borrower, any Guarantor, or any other person which may be obligated to Bank by virtue of this Agreement or any of the other Loan Documents, whether or not suit is filed, or (e) any attempt to inspect, verify, protect, preserve, restore, collect, sell, liquidate or otherwise dispose of or realize upon the Collateral, then all such legal and accounting expenses, other costs and out-of-pocket expenses of Bank shall be payable by Borrower. All amounts payable by Borrower under this Section 7.03 shall be secured by the Collateral, shall be payable on demand to Bank, and shall bear interest from the date such demand is made until paid

in full at the rate applicable to the Loans from time to time. If suit is brought to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and court costs in addition to any other remedy or recovery awarded by the court.

7.04 **Additional Remedies.** The rights, powers and remedies given to Bank hereunder shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Bank by law against Borrower or any other person, including but not limited to Bank's rights of setoff or banker's lien.

7.05 **Inurement.** The benefits of this Agreement shall inure to the successors and assigns of Bank and the permitted successors and assigns of Borrower.

7.06 **Applicable Law.** This Agreement and all other agreements and instruments required by Bank in connection therewith shall be governed by and construed according to the laws of the state of California, to the jurisdiction of whose courts the parties hereby agree to submit.

7.07 **Offset.** In addition to and not in limitation of all rights of offset that Bank or other holder of the Loan may have under applicable law, Bank or other holder of any note issued hereunder shall, upon the occurrence of any Event of Default or any event which with the passage of time or notice would constitute such an Event of Default, have the right to appropriate and apply to the payment of the Loan any and all balances, credits, deposits, accounts or monies of Borrower then or thereafter with Bank or other holder, within ten (10) days after the Event of Default, and notice of the occurrence of any Event of Default by Bank to Borrower.

7.08 **Severability.** Should any one or more provisions of the Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall be effective.

7.09 **Time of the Essence.** Time is hereby declared to be of the essence of this Agreement and of every part hereof.

7.10 **Accounting.** All accounting terms shall have the meanings applied under generally accepted accounting principles unless otherwise specified.

7.11 **Reference Provision.**

(a) Other than (i) nonjudicial foreclosure and all matters in connection therewith regarding security interests in real or personal property; or (ii) the appointment of a receiver, or the exercise of other provisional remedies (any and all of which may be initiated pursuant to applicable law), each controversy, dispute or claim between the parties arising out of or relating to this Credit Agreement, any security agreement executed by Borrower in favor of Bank or any note executed by Borrower in favor of Bank or any other agreement or instrument issued in favor of Bank by Borrower (collectively in this Section, the "Agreement") which controversy, dispute or claim is not settled in writing within thirty (30) days after the "Claim Date" (defined as the date on which a party subject to this Agreement gives written notice to all other parties that a controversy, dispute or claim exists), will be settled by a reference proceeding in California in accordance with the provisions of Section 638 et seq. of the California Code of Civil Procedure, or their successor section ("CCP"), which shall constitute the exclusive remedy for the settlement of any controversy, dispute or claim concerning this Agreement, including whether such

controversy, dispute or claim is subject to the reference proceeding and except as set forth above, the parties waive their rights to initiate any legal proceedings against each other in any court or jurisdiction other than the Superior Court in the County where the Real Property, if any, is located or Los Angeles County if none (the "Court"). The referee shall be a retired Judge of the Court selected by mutual agreement of the parties, and if they cannot so agree within forty-five (45) days after the Claim Date, the referee shall be promptly selected by the Presiding Judge of the Court (or his representative). The referee shall be appointed to sit as a temporary judge, with all of the powers for a temporary judge, as authorized by law, and upon selection should take and subscribe to the oath of office as provided for in Rule 244 of the California Rules of Court (or any subsequently enacted Rule). Each party shall have one preemptory challenge pursuant to CCP §170.6. The referee shall (a) be requested to set the matter for hearing within sixty (60) days after the date of selection of the referee and (b) try any and all issues of law or fact and report a statement of decision upon them, if possible, within ninety (90) days of the Claim Date. Any decision rendered by the referee will be final, binding and conclusive and judgment shall be entered pursuant to CCP §644 in any court in the state of California having jurisdiction. Any party may apply for a reference proceeding at any time after thirty (30) days following notice to any other party of the nature of the controversy, dispute or claim, by filing a petition for a hearing and/or trial. All discovery permitted by this Agreement shall be completed no later than fifteen (15) days before the first hearing date established by the referee. The referee may extend such period in the event of a party's refusal to provide requested discovery for any reason whatsoever, including, without limitation, legal objections raised to such discovery or unavailability of a witness due to absence or illness. No party shall be entitled to "priority" in conducting discovery. Depositions may be taken by either party upon seven (7) days written notice, and request for production or inspection of documents shall be responded to within ten (10) days after service. All disputes relating to discovery which cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding upon the parties. Pending appointment of the referee as provided herein, the Superior Court is empowered to issue temporary and/or provisional remedies, as appropriate.

(b) Except as expressly set forth in this Agreement, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of all hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter except that when any party so requests, a court reporter will be used at any hearing conducted before the referee. The party making such a request shall have the obligation to arrange for and pay for the court reporter. The costs of the court reporter at the trial shall be borne equally by the parties.

(c) The referee shall be required to determine all issues in accordance with existing case law and the statutory laws of the state of California. The rules of evidence applicable to proceedings at law in the state of California will be applicable to the reference proceeding. The referee shall be empowered to enter equitable as well as legal relief, to provide all temporary and/or provisional remedies and to enter equitable orders that will be binding upon the parties. The referee shall issue a single judgment at the close of the reference proceeding which shall dispose of all of the claims of the parties that are the subject of the reference. The parties hereto expressly reserve the right to contest or appeal from the final judgment or any appealable order or appealable judgment entered by the referee. The parties hereto expressly reserve the right to findings of fact, conclusions of laws, a written statement of decision, and the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

(d) In the event that the enabling legislation which provides for appointment of a referee is repealed (and no successor statute is enacted), any dispute between the parties that would otherwise be determined by the reference procedure herein described will be resolved and determined by arbitration. The arbitration will be conducted by a retired judge of the Court, in accordance with the California Arbitration Act, §1280 through §1294.2 of the CCP as amended from time to time. The limitations with respect to discovery as set forth hereinabove shall apply to any such arbitration proceeding.

7.12 This Agreement may be modified only by a writing signed by all parties hereto.

[Signature page follows.]

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Borrower's Name: Unicom Systems Inc.  
Date: July 24, 2000

Borrower's Name: Unicom Systems Inc.  
Date: July 24, 2000

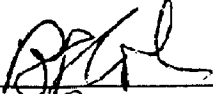
**TRADEMARK**  
**REEL: 002195 FRAME: 0766**



This Agreement is executed on behalf of the parties by duly authorized officers as of the date first above written.

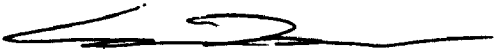
**Bank:**

**IMPERIAL BANK**

By:   
Its: RVP

**Borrower:**

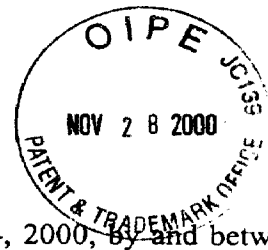
**UNICOM SYSTEMS INC.  
("Borrower")**

By:   
Its: PRESIDENT

By: \_\_\_\_\_  
Its: \_\_\_\_\_

WA

**CREDIT AGREEMENT**



This Credit Agreement (this "Agreement") is made and entered into on July 24, 2000, by and between **Unicom Systems Inc.**, a California corporation ("Borrower"), and **Imperial Bank**, a California banking corporation ("Bank").

Subject to the terms and conditions of this Agreement, any security agreement(s) executed by Borrower in favor of Bank, any note(s) executed by Borrower in favor of Bank, or any other agreements executed in conjunction therewith (collectively, the "Loan Documents"), Bank shall make the loan(s) and or advance(s) (individually a "Loan" and collectively "Loans") referred to below to Borrower.

In consideration of mutual covenants and conditions hereof, the parties hereto agree as follows:

1. **AMOUNT AND TERMS OF CREDIT**

1.01 **Term Loan Commitment.**

(a) **Term Loan.** Subject to the terms and conditions of this Agreement, Bank shall make available to Borrower a term loan (the "Term Loan") in the amount of **\$6,500,000**, the proceeds of which shall be used only for the acquisition of certain assets of Technologic Software Concepts, Inc.

(b) **Term Loan Note.** The interest rate, payment- terms, maturity date and certain other terms of the Term Loan will be contained in a promissory note dated the date of this agreement, and subject to the provisions of the LIBOR Addendum attached thereto, as each such may be amended or replaced from time to time.

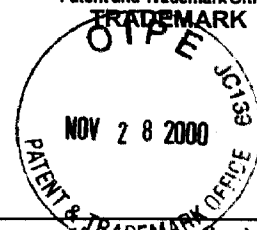
1.02 **Costs and Expenses.** In addition to any other amounts due, or to become due, concurrently with the execution hereof, Borrower agrees to pay to Bank all out-of-pocket costs and expenses incurred by Bank in the preparation of this Agreement, the other Loan Documents and the perfection of any security interest granted to Bank by Borrower.

1.03 **Collateral.** Borrower shall grant or cause to be granted to Bank a first priority lien on any and all personal property assets of Borrower which are assigned or hereafter are assigned to Bank as security or in which Bank now has or hereafter acquires a security interest or pursuant to the terms of any security agreement, any intellectual property security agreement or otherwise (collectively, the "Collateral") as security for all of Borrower's obligations to Bank, all as may be subject to Section 5.03 hereof.

1.04 **Collection of Payments.** Borrower authorizes Bank to collect all interest, fees, costs, and/or expenses due under this Agreement by charging Borrower's demand deposit account number 10089921 with Bank, or any other demand deposit account maintained by Borrower with Bank, for the full amount thereof. Should there be insufficient funds in any such demand deposit account to pay all such sums when due, the full amount of such deficiency shall be immediately due and payable by Borrower.

2. **REPRESENTATIONS OF BORROWER**

Borrower represents and warrants that:



### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

<b>Submission Type</b>		<b>Conveyance Type</b>	
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Resubmission (Non-Recordation) Document ID # _____	<input type="checkbox"/> Assignment	<input type="checkbox"/> License
<input type="checkbox"/> Correction of PTO Error Reel # _____ Frame # _____	<input type="checkbox"/> Corrective Document Reel # _____ Frame # _____	<input checked="" type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment Effective Date Month Day Year _____
		<input type="checkbox"/> Merger	
		<input type="checkbox"/> Change of Name	
		<input type="checkbox"/> Other _____	

**Conveying Party**  Mark if additional names of conveying parties attached

Name Unicom Systems, Inc. Execution Date 07-24-2000  
Month Day Year

Formerly \_\_\_\_\_

Individual  General Partnership  Limited Partnership  Corporation  Association

Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization California

**Receiving Party**  Mark if additional names of receiving parties attached

Name Imperial Bank

DBA/AKA/TA Attn: Kerry J. Turner, Senior Vice President

Composed of \_\_\_\_\_

Address (line 1) 15303 Ventura Boulevard

Address (line 2) \_\_\_\_\_

Address (line 3) Sherman Oaks California 91403-3110  
City State/Country Zip Code

Individual  General Partnership  Limited Partnership  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.)

Corporation  Association

Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization California Banking Corp.

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Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231