

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

05-14-2001



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

101686534

2/13/01

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
Effective Date
Month Day Year
- Merger
- 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
- Other
- Association
- Citizenship/State of Incorporation/Organization

RECEIVED
DIVISION OF
REGISTERED
SERVICES
MAY 13 10-19

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

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

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.)

02/13/2001 DBYRNE 00000153 2272667

FOR OFFICE USE ONLY

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01 FC:481 40.00 DP
02 FC:482 625.00 DP

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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: 002248 FRAME: 0489

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FORM PTO-1618B
Expires 08/30/99
OMB 0651-0027

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

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="Please see Schedule II, attached hereto and a part hereof."/>			<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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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.

Brian Trust, Esq.  2/8/2001

Name of Person Signing Signature Date Signed

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TRADEMARKS: SCHEDULE I TO PTO RECORDATION COVER SHEET (FORM PTO-1618A)

1. PSC Inc., a Delaware corporation
2. Percon Incorporated, a Washington corporation
 - a. Former Name: Percon Acquisition, Inc.

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TRADEMARKS: SCHEDULE II TO PTO RECORDATION COVER SHEET (FORM PTO-1618A)

Owner	Registration #	Trademark Description
PSC Inc.	2272867	Magellan SI
PSC Inc.	2343961	Duet
PSC Inc.	0000000 (Serial # 76/113301)	Configurator Express
PSC Inc.	0000000 (Serial # 76/056748)	Groceryscan
PSC Inc.	0000000 (Serial # 75/657043)	Lasersense
PSC Inc.	0000000 (Serial # 76/041961)	Linkwell
PSC Inc.	0000000 (Serial # 75/921154)	Momentum
PSC Inc.	0000000 (Serial # 75/921153)	Quickscan
PSC Inc.	0000000 (Serial # 75/859934)	Miscellaneous Design
PSC Inc.	0000000 (Serial # 75/620156)	Quadralogic
PSC Inc.	0000000 (Serial # 75/544849)	Powerscan
Percon Acquisition, Inc.	1946909	Easywand
Percon Acquisition, Inc.	1953105	Bar Code Basics
Percon Acquisition, Inc.	1337701	Percon
Percon Incorporated	2388963	Falcon
Percon Incorporated	2228022	PT 2000
Percon Incorporated	2214110	Powerwedge
Percon Incorporated	0000000 (Serial # 75/327125)	Easykey
Percon Incorporated	2134238	Topgun
Percon Incorporated	2168466	Snapshot
Percon Incorporated	1938760	Intellitrack
PSC Inc.	1526629	PSC Logo

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Owner	Registration #	Trademark Description
PSC Inc.	0000000 (Serial # 76/153020)	Quickcheck
PSC Inc.	0000000 (Serial# 74/665865)	Quickscan & Laserburst Logo
PSC Inc.	0000000 (Serial # 75/921153)	Quickscan Pen
PSC Inc.	0000000 (Serial # 74/667113)	Quickscan PSC & Laserburst Logo



INTELLECTUAL PROPERTY SECURITY AGREEMENT

Dated July 12, 1996

from

**PSC ACQUISITION, INC., PSC INC.,
SPECTRA-PHYSICS SCANNING SYSTEMS, INC. AND
THE OTHER SUBSIDIARY GRANTORS**

as Grantors,

to

FLEET BANK

as Administrative Agent

PNY3494573.3

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SCHEDULES

- Schedule I - Patents and Patent Applications
- Schedule II - Trademark Registrations and Applications
- Schedule III - Copyright Registrations and Applications
- Schedule IV - Licenses
- Schedule V - Third Party Infringements

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

INTELLECTUAL PROPERTY SECURITY AGREEMENT dated July 12, 1996 made by PSC ACQUISITION, INC., a Delaware corporation with an office at 675 Basket Road, Webster, New York 14580 (together with the Surviving Corporation (as defined in the Credit Agreement referred to below) the "Borrower"), PSC INC. ("PSC"), SPECTRA-PHYSICS SCANNING SYSTEMS, INC., a Delaware corporation ("Scanning") and each of the direct and indirect Subsidiaries of the Borrower and PSC listed on the signature pages hereof and the Additional Intellectual Property Grantors (as defined in Section 13(c)) (such Persons so listed and the Additional Intellectual Property Grantors being, collectively, the "Subsidiary Grantors" and, together with the Borrower, PSC and Scanning, the "Grantors") to FLEET BANK ("Fleet"), as administrative agent (the "Administrative Agent") for the Secured Parties (as defined in the Credit Agreement referred to below).

PRELIMINARY STATEMENTS:

(1) The Borrower has entered into a Credit Agreement dated as of July 12, 1996 (said Agreement, as it may hereafter be amended or otherwise modified from time to time, being the "Credit Agreement"); the terms defined therein and not otherwise defined herein being used herein as therein defined) with the banks, financial institutions and other institutional lenders party thereto (the "Lenders"), Fleet, as initial issuing bank, and the Administrative Agent.

(2) It is a condition precedent to the making of Advances by the Lender Parties and the issuance of Letters of Credit by the Issuing Bank under the Credit Agreement and the entry by the Hedge Banks into the Bank Hedge Agreements with the Borrower, from time to time, that the Grantors shall have granted the assignment and security interest and made the pledge and assignment contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Lender Parties to make Advances under the Credit Agreement, the Issuing Bank to issue Letters of Credit under the Credit Agreement and the Hedge Banks to enter into Bank Hedge Agreements with the Borrower from time to time, each of the Grantors hereby agrees with the Administrative Agent for its benefit and the ratable benefit of the Secured Parties as follows:

SECTION 1. Grant of Security. Each of the Grantors hereby assigns and pledges to the Administrative Agent for its benefit and the ratable benefit of the Secured Parties, and hereby grants to the Administrative Agent for its benefit and the ratable benefit of the Secured Parties a security interest in, the following, in each case, as to each type of

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(13)

property described below, whether now owned or hereafter acquired by such Grantor, and whether now or hereafter existing (collectively, the "Intellectual Property Collateral"):

(a) all patents, patent applications and patentable inventions, including, without limitation, each patent identified in Schedule I attached hereto and made a part hereof and each patent application identified in Schedule A to the Agreement on Patent Applications (as defined below), and including without limitation (i) all inventions and improvements described and claimed therein and the right to make, use or sell the same, (ii) the right to sue or otherwise recover for any misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past and future infringements thereof), and (iv) all rights corresponding thereto throughout the world and all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon and all other rights of any kind whatsoever of the Grantor accruing thereunder or pertaining thereto (the "Patents");

(b) all trademarks, service marks, trade names, trade dress or other indicia of trade origin, trademark and service mark registrations, and applications for trademark or service mark registrations and any renewals thereof, including, without limitation, each registration and application identified in Schedule II attached hereto and made a part hereof, and including without limitation (i) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (ii) all income, royalties, damages and other payments now and hereafter due and/or payable 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), and (iii) all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of the Grantor accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each such trademark, service mark, trade name, trade dress or other indicia of trade origin (the "Trademarks");

(c) all copyrights, whether statutory or common law, and whether or not the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, including, without limitation, each copyright registration and copyright application, if any, identified in Schedule III attached hereto and made a part hereof, and including, without limitation, (i) the right to reproduce, prepare derivative works, distribute copies, perform or display any

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of the foregoing, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable 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), and (iv) all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of the Grantor accruing thereunder or pertaining thereto (the "Copyrights"); and

(d) all license agreements with any other person in connection with any of the Patents, Trademarks or Copyrights, or such other person's patents, trade names, trademarks, service marks, copyrights or works of authorship, whether such Grantor is a licensor or licensee under any such license agreement, including, without limitation, the license agreements listed on Schedule IV attached hereto and made a part hereof, and any right to prepare for sale, sell and advertise for sale, all Inventory (as defined in the Security Agreement) now or hereafter owned by t
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licenses (the "Licenses").

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Administrative Agent or the Secured Parties
under the Loan Documents and the Bank hedge Agreements but for the fact that they are
unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar
proceeding involving such Grantor.

SECTION 3. Grantors Remain Liable. Anything herein to the contrary notwithstanding, (a) each Grantor shall remain liable under the contracts and agreements included in the Intellectual Property Collateral to which it is a party to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Administrative Agent of any of the rights hereunder shall not release any Grantor from any of its duties or obligations under the contracts and agreements included in the Intellectual Property Collateral, and (c) neither the Administrative Agent nor any Secured Party shall have any obligation or liability under the contracts and agreements included in the Intellectual Property Collateral by reason of this Agreement, nor shall the Administrative Agent or any Secured Party be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

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SECTION 4. Representations and Warranties. Each Grantor represents and warrants as follows:

(a) Such Grantor is the legal and beneficial owner of the Intellectual Property Collateral pledged by such Grantor free and clear of any Lien, claim, option or right of others, except for the liens and security interests created under this Agreement or permitted under the Loan Documents (including, without limitation, any Liens disclosed on Schedule 5.02(a)(iii) to the Credit Agreement. No effective financing statement or other instrument similar in effect covering all of any part of such Intellectual Property Collateral or listing such Grantor or any of its Subsidiaries or any trade name of such Grantor or any of its Subsidiaries as debtor is on file in any recording office (including, without limitation, the United States Patent and Trademark Office and the United States Copyright Office), except such as may have been filed in favor of the Administrative Agent relating to this Agreement or any of the Loan Documents.

(b) Set forth in Schedule I is a complete and accurate list of all patents owned by such Grantor. Set forth in Schedule II is a complete and accurate list of all trademark and service mark registrations and all trademark and service mark applications owned by each Grantor. Set forth in Schedule III is a complete and accurate list of all copyright registrations and copyright applications owned by each Grantor. Set forth in Schedule IV is a complete and accurate list of all Licenses in which such Grantor is (i) a licensor with respect to any of the Patents, Trademarks, or Copyrights or (ii) a licensee of any other person's patents, trade names, trademarks, service marks, copyrights or works of authorship. Set forth in a certain Agreement on Patent Applications dated as of the date hereof by and between the Grantors and the Administrative Agent (the "Agreement on Patent Applications") is a complete and accurate list of all confidential patent applications owned by such Grantor. Such Grantor has made all necessary filings and recordations to protect and maintain its interest in the patents, patent applications, trademark and service mark registrations, trademark and service mark applications, copyright registrations and copyright applications and Licenses set forth in Schedules I, II, III and IV hereto, and in Schedule A to the Agreement on Patent Applications.

(c) Each patent, patent application, trademark or service mark registration, trademark or service mark application, copyright registration, and copyright application of such Grantor set forth in Schedules I, II and III hereto, and in Schedule A to the Agreement on Patent Applications, is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and is valid, registrable and enforceable. Each License of such Grantor identified in Schedule IV is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and is valid and enforceable. Such Grantor is not aware of any uses of any item of Intellectual Property Collateral which would be expected to lead to such item becoming invalid or unenforceable, including unauthorized uses by third parties and

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uses which were not supported by the goodwill of the business connected with such Intellectual Property Collateral.

(d) Such Grantor has not made a previous assignment, transfer or agreement constituting a present or future assignment, transfer or encumbrance of any of the Intellectual Property Collateral. Such Grantor has not granted any license (other than those listed on Schedule IV hereto), release, covenant not to sue, or non-assertion assurance to any person with respect to any part of the Intellectual Property Collateral.

(e) Such Grantor has used proper statutory notice in connection with its use of each patent, each registered trademark and service mark and each copyright contained in Schedules I, II and III.

(f) This Agreement creates in favor of the Administrative Agent a valid and perfected first priority security interest in the Intellectual Property Collateral of such Grantor, securing the payment of the Secured Obligations of such Grantor, and all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken.

(g) No consent of any Person and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or other Person is required either (i) for the grant by such Grantor of the assignment and security interest granted hereby, for the pledge by such Grantor of the Intellectual Property Collateral pursuant hereto, or for the execution, delivery or performance of this Agreement by such Grantor, (ii) for the perfection or maintenance of the pledge, assignment and security interest created hereby (including the first priority nature of such pledge, assignment and security interest), except for the filing of financing and continuation statements under the Uniform Commercial Code, which financing statements have been duly filed, and the filing and recording of this Agreement in the United States Patent and Trademark Office and the United States Copyright Office against each patent, patent application, trademark or service mark registration, trademark or service mark application, copyright registration, and copyright application of such Grantor set forth in Schedules I, II and III hereto, and in the Agreement on Patent Applications, or (iii) for the exercise by the Administrative Agent of its rights provided for in this Agreement or the remedies in respect of the Intellectual Property Collateral pursuant to this Agreement.

(h) Except as set forth in Schedule IV hereto, there are no claims by any third party relating to any item of Intellectual Property Collateral.

(i) No claim has been made and is continuing or threatened that any item of Intellectual Property Collateral is invalid or unenforceable or that the use by such Grantor of any Intellectual Property Collateral does or may violate the rights of any

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Person. To the best of such Grantor's knowledge, there is currently no infringement or unauthorized use of any item of Intellectual Property Collateral, except as set forth on Schedule V hereto.

(j) Each Grantor has taken all necessary steps to use consistent standards of quality in the manufacture, distribution and sale of all products sold and the provision of all services provided under or in connection with any of the Intellectual Property Collateral and has taken all necessary steps to ensure that all licensed users of any of the Intellectual Property Collateral use such consistent standards of quality.

(k) There are no conditions precedent to the effectiveness of this Agreement that have not been satisfied or have not been waived.

SECTION 5. Further Assurances. (a) Each of the Grantors agrees that from time to time, at the expense of the Borrower, such Grantor shall promptly execute and deliver all further instruments and documents, and take all further action, that such Grantor believes may be necessary or reasonably desirable, or that the Administrative Agent may reasonably request, in order to perfect and protect any pledge, assignment or security interest granted or purported to be granted hereby or to enable the Administrative Agent to exercise and enforce its rights and remedies hereunder with respect to any part of the Intellectual Property Collateral. Without limiting the generality of the foregoing, such Grantor will, upon such reasonable request of the Administrative Agent following the occurrence of a Default, with respect to the Intellectual Property Collateral owned by such Grantor, execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Administrative Agent may request, in order to perfect and preserve the pledge, assignment and security interest granted or purported to be granted hereby; provided, however, that, unless and until there is an Event of Default, the Administrative Agent shall not file in any public recording office in connection with such financing or continuation statements, or amendments thereto, or such other instruments and notices, a schedule which lists collectively the Grantors' confidential patent applications.

(b) Each Grantor hereby authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto, relating to all or any part of the Intellectual Property Collateral without the signature of such Grantor where permitted by law. A photocopy or other reproduction of this Agreement or any financing statement covering the Intellectual Property Collateral or any part thereof will be sufficient as a financing statement where permitted by law.

(c) Each Grantor will furnish to the Administrative Agent from time to time statements and schedules further identifying and describing the Intellectual Property Collateral and such other reports in connection with the Intellectual Property Collateral as the Administrative Agent may reasonably request, all in reasonable detail.

(d) The Borrower and PSC will furnish to the Administrative Agent, biennially on or before June 30 of each even year (commencing June 30, 1998), an opinion of counsel acceptable to the Required Lenders to the effect that all financing or continuation statements have been filed, and all other action has been taken, to perfect and validate continuously from the date hereof assignment and security interest granted hereby by each Grantor.

(e) Each Grantor agrees that, should it obtain an ownership interest in any patent, patent application, patentable invention, trademark, service mark, trade name, trade dress, other indicia of trade origin, trademark or service mark registration, trademark or service mark application, copyright, copyright registration, copyright application, work of authorship or License, which is not now a part of the Intellectual Property Collateral, (i) the provisions of Section 1 will automatically apply thereto, and (ii) any such patent, patent application, patentable invention, trademark, service mark, trade name, trade dress, indicia of trade origin, trademark or service mark registration, trademark or service mark application (together with the goodwill of the business connected with the use of same and symbolized by same), copyright, copyright registration, copyright application, work of authorship or License will automatically become part of the Intellectual Property Collateral. Each Grantor further agrees that it shall deliver to the Administrative Agent a written report, in reasonable detail, on a semi-annual basis (starting, for this year, on December 31, 1996, and thereafter on June 30 and December 31 of each succeeding year), setting forth each new patent, patent application, trademark or service mark registration, trademark or service mark application, copyright registration, copyright application or license that such Grantor has filed, acquired or otherwise obtained in the preceding six month reporting period. Such Grantor authorizes the Administrative Agent to modify this Agreement by amending Schedules I, II, III, and IV hereto, and Schedule A to the Agreement on Patent Applications (and shall cooperate reasonably with the Administrative Agent in effecting any such amendment), to include any patent, patent application, trademark or service mark registration, trademark or service mark application, copyright registration, copyright application or License which becomes part of the Intellectual Property Collateral under this Section.

(f) With respect to each patent, patent application, trademark or service mark registration, trademark or service mark application, copyright registration and copyright application set forth in Schedules I, II and III hereto, and in Schedule A to the Agreement on Patent Applications, each Grantor agrees to take all necessary steps, including, without limitation, in the United States Patent and Trademark Office and the United States Copyright Office or in any court, to (i) maintain each such patent, trademark or service mark registration, and copyright registration, and (ii) pursue each such patent application, trademark or service mark application and copyright application now or hereafter included in the Intellectual Property Collateral, including, without limitation, the filing of responses to office actions issued by the United States Patent and Trademark Office, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, the filing of divisional, continuation, continuation-in-part and substitute applications, the filing of

applications for re-issue, renewal or extensions, the payment of maintenance fees, and the participation in interference, reexamination, opposition, cancellation, infringement and misappropriation proceedings. Each Grantor agrees to take corresponding steps with respect to each new or acquired patent, patent application, trademark or service mark registration, trademark or service mark application, copyright registration, or copyright application to which it is now or later becomes entitled. Any expenses incurred in connection with such activities will be borne by such Grantor. Such Grantor shall not discontinue use of or otherwise abandon any patent, patent application, trademark or service mark, trademark or service mark registration, trademark or service mark application, copyright registration, or copyright application now or hereafter included in the Intellectual Property Collateral, unless such Grantor shall have first determined in its sound and reasonable business judgment that such use or pursuit or maintenance of same is no longer desirable in the conduct of such Grantor's business, in which case, such Grantor shall give written notice of any such abandonment or discontinuance to the Administrative Agent pursuant to the semi-annual reporting requirement contained in Section 5(e) above.

(g) Each Grantor agrees to notify the Administrative Agent promptly and in writing if it learns (i) that any item of the Intellectual Property Collateral has been determined to have become abandoned or dedicated to the public, (ii) of the institution of any proceeding (including, without limitation, the institution of any proceeding in the United States Patent and Trademark Office or any court) regarding any item of the Intellectual Property Collateral, or (iii) of any adverse determination, provided that, in the case of any such adverse determination, such Grantor shall not be required to notify the Administrative Agent of the issuance of any office actions by the United States Patent and Trademark Office unless and until such Grantor shall have filed an appeal or other proceeding with any administrative body or court contesting such office action or shall have determined to abandon the item of Intellectual Property Collateral subject to such office action.

(h) In the event that a Grantor makes a determination in its reasonable business judgment that any item of the Intellectual Property Collateral is infringed or misappropriated by a third party, such Grantor shall promptly notify the Administrative Agent and will take such actions as such Grantor or the Administrative Agent deems reasonable and appropriate under the circumstances to protect such Intellectual Property Collateral, including, without limitation, suing for infringement or misappropriation and for an injunction against such infringement or misappropriation. Any expense incurred in connection with such activities will be borne by such Grantor.

(i) Each Grantor shall continue to use proper statutory notice in connection with its use of each of its patents, registered trademarks and service marks, and copyrights contained in Schedules I, II and III.

(j) Each Grantor shall take all steps which it or the Administrative Agent deems reasonable and appropriate under the circumstances to preserve and protect its Intellectual Property Collateral, including, without limitation, maintaining the quality of any

and all products or services used or provided in connection with any of the Intellectual Property Collateral, consistent with the quality of the products and services as of the date hereof, and taking all steps necessary to ensure that all licensed users of any of the Intellectual Property Collateral use such consistent standards of quality.

(k) Each Grantor shall take all steps which the Administrative Agent deems reasonable and appropriate under the circumstances to correct defects in the record title to the patents, patent applications, trademark and servicemark registrations and trademark and servicemark applications excepted from the Opinion of Pennie & Edmonds dated July __, 1996, and listed in Exhibit A thereto.

SECTION 6. Transfers and Other Liens. Each of the Grantors agrees that it shall not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Intellectual Property Collateral, except sales, of Inventory in the ordinary course of business, or (ii) create or suffer to exist any Lien upon or with respect to any of the Intellectual Property Collateral except for (A) the pledge, assignment and security interest created by this Agreement and (B) any other Liens otherwise expressly permitted under Section 5.02 of the Credit Agreement.

SECTION 7. Administrative Agent Appointed Attorney-in-Fact. Each of the Grantors hereby irrevocably appoints the Administrative Agent such Grantor's attorney-in-fact, with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, upon the occurrence of a Default and upon 5 days' notice to such Grantor to take any action and to execute any instrument that the Administrative Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(a) to ask for, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of its Intellectual Property Collateral,

(b) to receive, endorse and collect any drafts or other instruments, documents and chattel paper, in connection with clause (a) above, and

(c) to file any claims or take any action or institute any proceedings that the Administrative Agent may deem necessary or desirable or otherwise to enforce the rights of the Administrative Agent with respect to any of its Intellectual Property Collateral.

SECTION 8. Administrative Agent May Perform. If any of the Grantors fails to perform any agreement contained herein, the Administrative Agent may itself, upon 5 days' notice to such Grantor, perform, or cause performance of, such agreement, and the reasonable and actual expenses of the Administrative Agent incurred in connection therewith shall be payable by such Grantor under Section 11(b).

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SECTION 9. The Administrative Agent's Duties. The powers conferred on the Administrative Agent hereunder are solely to protect its interest in the Intellectual Property Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Intellectual Property Collateral in its possession and the accounting for moneys actually received by it hereunder, the Administrative Agent shall have no duty as to any Intellectual Property Collateral, whether or not the Administrative Agent or any other Secured Party has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Intellectual Property Collateral. The Administrative Agent shall exercise reasonable care in the custody and preservation of any Intellectual Property Collateral and shall accord such Intellectual Property Collateral treatment equal to that which Fleet accords its own property.

SECTION 10. Remedies. If any Event of Default shall have occurred and be continuing:

(a) The Administrative Agent may exercise in respect of the Intellectual Property Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the New York Uniform Commercial Code in effect in the State of New York at such time (the "N.Y. Uniform Commercial Code") (whether or not the N.Y. Uniform Commercial Code applies to the affected Intellectual Property Collateral) and also may (i) require any and all of the Grantors to, and each Grantor hereby agrees that it will at its expense and upon request of the Administrative Agent forthwith, assemble all or part of the documents and things embodying any part of the Intellectual Property Collateral as directed by the Administrative Agent and make them available to the Administrative Agent at a place and time to be designated by the Administrative Agent which is reasonably convenient to both parties; (ii) without notice except as specified below and as required by law, sell the Intellectual Property Collateral or any part thereof in one or more parcels at public or private sale, at any of the Administrative Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Administrative Agent may deem commercially reasonable; and (iii) occupy any premises owned or leased by any Grantor where documents and things embodying the Intellectual Property Collateral or any part thereof are assembled or located for a reasonable period in order to effectuate its rights and remedies hereunder or under law, without obligation to such Grantor in respect of such occupation. In the event of any sale, assignment, or other disposition of any of the Intellectual Property Collateral, the goodwill of the business connected with and symbolized by any of the Intellectual Property Collateral subject to such disposition will be included, and such Grantor will supply to the Administrative Agent or its designee such Grantor's know-how and expertise, and documents and things embodying the same, relating to the manufacture, distribution, advertising and sale of products or the provision of services relating to any Intellectual Property Collateral subject to such disposition, and including, but not

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limited to, such Grantor's customer lists and other records and documents relating to such Intellectual Property Collateral and to the manufacture, distribution, advertising and sale of such products and services. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made will constitute reasonable notification. The Administrative Agent shall not be obligated to make any sale of Intellectual Property Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice except as required by law, be made at the time and place to which it was so adjourned.

(b) All cash proceeds received by the Administrative Agent in respect of any sale of, collection from, or other realization upon, all or any part of the Intellectual Property Collateral may, in the discretion of the Administrative Agent, be held by the Administrative Agent as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to the Administrative Agent pursuant to Section 11(b)) in whole or in part by the Administrative Agent for the ratable benefit of the Lenders against, all or any part of the Secured Obligations in such order as the Administrative Agent shall elect. Any surplus of such cash or cash proceeds held by the Administrative Agent and remaining after payment in full of all the Secured Obligations shall be paid over to the applicable Grantors or to whomever may be lawfully entitled to receive such surplus.

(c) The Administrative Agent may exercise any and all rights and remedies of any of the Grantors in respect to the Intellectual Property Collateral.

(d) All payments received by any Grantor in respect of the Intellectual Property Collateral shall be received in trust for the benefit of the Administrative Agent, shall be segregated from other funds of such Grantor and shall be forthwith paid over to the Administrative Agent in the same form as so received (with any necessary endorsement or assignment).

SECTION 11. Indemnity and Expenses. (a) Each of the Grantors hereby agrees to indemnify the Administrative Agent from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement), except claims, losses or liabilities resulting from the Administrative Agent's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction.

(b) The Borrower will upon demand pay to the Administrative Agent the amount of any and all reasonable and actual expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, that the Administrative Agent may incur in connection with (i) the administration of this Agreement, (ii) the custody,

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preservation, use, or operation of, or the sale of, collection from or other realization upon, any of the Intellectual Property Collateral, (iii) the exercise or enforcement of any of the rights of the Administrative Agent or the Lenders hereunder or (iv) the failure by the Borrower to perform or observe any of the provisions hereof.

SECTION 12. Security Interest Absolute. The obligations of each Grantor under this Agreement are independent of the Secured Obligations, and a separate action or actions may be brought and prosecuted against such Grantor to enforce this Agreement, irrespective of whether any action is brought against the Borrower or whether the Borrower is joined in any such action or actions. All rights of the Administrative Agent and the pledge, assignment and security interest hereunder, and all obligations of each Grantor hereunder, shall be absolute and unconditional, irrespective of:

- (a) any lack of validity or enforceability of any Loan Document or any other agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations or any other amendment or waiver of or any consent to any departure from any Loan Document, including, without limitation, any increase in the Secured Obligations resulting from the extension of additional credit to the Borrower, PSC or any Subsidiary Guarantor or any of their subsidiaries or otherwise;
- (c) any taking, exchange, release or non-perfection of any other collateral, or any taking, release or amendment or waiver of or consent to departure from any guaranty, for all or any of the Secured Obligations;
- (d) any manner of application of collateral, or proceeds thereof, to all or any of the Secured Obligations, or any manner of sale or other disposition of any collateral for all or any of the Secured Obligations or any other assets of the Borrower, PSC or any Subsidiary Guarantor or any of their subsidiaries;
- (e) any change, restructuring or termination of the corporate structure or existence of the Borrower, PSC or any Subsidiary Guarantor or any of their subsidiaries; or
- (f) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor or a third party grantor of a security interest.

SECTION 13. Amendments; Waivers; Supplements; Etc. (a) No amendment or waiver of any provision of this Agreement, and no consent to any departure by any Grantor herefrom, shall in any event be effective unless the same shall be in writing and

signed by the Administrative Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) No failure on the part of the Administrative Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

(c) Upon the execution and delivery by any Person of an intellectual property security agreement supplement, in each case in substantially the form of Exhibit A hereto (each an "Intellectual Property Security Agreement Supplement"), (i) such Person shall be referred to as an "Additional Intellectual Property Collateral Grantor" and shall be and become a Grantor, and each reference in this Agreement to "Additional Grantor" or "Grantor" shall also mean and be a reference to such Additional Intellectual Property Collateral Grantor and each reference in any other Loan Document to a "Grantor" or a "Loan Party" shall also mean and be a reference to such Additional Grantor, and (ii) the annexes attached to each Intellectual Property Security Agreement Supplement shall be incorporated into and become a part of and supplement Schedules I, II, III and IV hereto and the Administrative Agent may attach such annexes as supplements to such Schedules, and each reference to such Schedules shall mean and be a reference to such Schedules, as supplemented pursuant hereto.

SECTION 14. Addresses for Notices. All notices and other communications provided for hereunder shall be in writing (including telegraphic, telecopy or telex communication) and, mailed, telegraphed, telecopied, telexed or delivered if to any Grantor addressed to it at the address set forth below its names on the signature pages hereof; if to any Additional Grantor, addressed to it at the address set forth below its name on the signature page to the Intellectual Property Security Agreement Supplement executed and delivered by such Additional Grantor; if to the Administrative Agent, addressed to it at its address set forth in Section 8.02 of the Credit Agreement or, as to each other party, at such other address as shall be designated by such party in a written notice to the Grantors and the Administrative Agent. All such notices and communications shall, when mailed, telegraphed, telecopied, telexed, be effective when deposited in the mails, delivered to the telegraph company or transmitted by telecopier, confirmed by telex answerback, respectively, addressed as aforesaid.

SECTION 15. Continuing Security Interest; Assignments. This Agreement shall create a continuing security interest in the Intellectual Property Collateral and shall (a) remain in full force and effect until the later of the payment in full cash of the Secured Obligations and the Termination Date, (b) be binding upon each Grantor, its successors and assigns and (c) inure, together with the rights and remedies of the Administrative Agent hereunder, to the benefit of the Lenders and their respective successors, transferees and assigns. Without limiting the generality of the foregoing clause (c), any Lender may assign or otherwise transfer all or any portion of its rights and obligations under the Credit

Agreement (including, without limitation, all or any portion of its Commitment, the Advances owing to it and the Note or Notes held by it to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, in each case as provided in Section 8.07 of the Credit Agreement).

SECTION 16. Release and Termination. (a) Upon any sale, lease, transfer or other disposition of any item of Intellectual Property Collateral in accordance with the terms of the Loan Documents (other than sales of Inventory in the ordinary course of business), the Administrative Agent will, at the Grantors' expense, execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence the release of such item of Intellectual Property Collateral from the assignment and security interest granted hereby; ~~provided~~, however, that (i) at the time of such request and such release, no Default shall have occurred and be continuing, (ii) such Grantor shall have delivered to the Administrative Agent, at least ten Business Days prior to the date of the proposed release, a written request for release describing the item of the Intellectual Property Collateral and the terms of the sale, lease, transfer or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a form of release for execution by the Administrative Agent and a certification by such Grantor to the effect that the transaction is in compliance with the Loan Documents and as to such other matters as the Administrative Agent may request and (iii) the proceeds of any such sale, lease, transfer or other disposition required to be applied in accordance with Section 2.05 of the Credit Agreement shall be paid to, or in accordance with the instructions of, the Administrative Agent at the closing and (v) the Administrative Agent shall have approved such sale, lease, transfer or other disposition in writing.

(b) Upon the latest of (i) the payment in full in cash of the Secured Obligations, (ii) the expiration, termination or cancellation of all of the Letters of Credit and (iii) the Termination Date, the pledge, assignment and security interest granted by each of the Grantors hereby shall terminate and all rights to the Intellectual Property Collateral shall revert to the appropriate Grantor. Upon any such termination, the Administrative Agent will, at the Grantor's expense, execute and deliver to the appropriate Grantor such documents as such Grantor shall reasonably request to evidence such termination.

SECTION 17. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 18. Governing Law; Terms. (a) This Agreement shall be governed by and construed in accordance with the laws of the State of New York, except to the extent that the validity or perfection of the security interest hereunder, or remedies

hereunder, in respect of the Intellectual Property Collateral are governed by the laws of a jurisdiction other than the State of New York. Unless otherwise defined herein or in the Credit Agreement, terms used in or Article 9 of the N.Y. Uniform Commercial Code are used herein as therein defined.

IN WITNESS WHEREOF, such Grantor has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PSC ACQUISITION, INC.

By: William J. Woodard
Name: William J. Woodard
Title: Vice President-Finance
Address: 4 Riesling Court, Fairport, New York

PSC INC.

By: William J. Woodard
Name: William J. Woodard
Title: Vice President-Finance
Address: 4 Riesling Court, Fairport, New York

SPECTRA-PHYSICS SCANNING SYSTEMS, INC.

By: William J. Woodard
Name: William J. Woodard
Title: Vice President
Address: 4 Riesling Court, Fairport, New York

LAZERDATA CORPORATION

By: William J. Woodard
Name: William J. Woodard
Title: Vice President-Finance
Address: 4 Riesling Court, Fairport, New York

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TO 17162323523

P.20

Agreed and consented to as of
the date first above written:

FLEET BANK, as Administrative Agent

By: [Signature]
Title: AVP



UL 11 '95 00:40 FR PENNIE EDMOND

TO 17162023528

P.21

STATE OF NEW YORK)
MONROE) ss.:
COUNTY OF ~~NEW YORK~~)

On the 11th day of July, 1996, before me personally came William J. Woodard to me known, who, being by me duly sworn, did depose and say he resides at 4 Riesling Court, Fairport, NY

and that he is the Vice Pres.-Finance of PSC ACQUISITION, INC., the corporation described in and which executed the above instrument; that he has been authorized to execute said instrument on behalf of said corporation; and that he signed said instrument on behalf of said corporation pursuant to said authority.

Allyn Van Dusen
Notary Public

[Notarial Seal]

ALLYN VAN DUSEN
Notary Public, State of New York
Monroe County 7/7/98
Commission Expires

STATE OF NEW YORK)
MONROE) ss.:
COUNTY OF ~~NEW YORK~~)

On the 11th day of July, 1996, before me personally came William J. Woodard to me known, who, being by me duly sworn, did depose and say he resides at 4 Riesling Court, Fairport, NY

and that he is the Vice Pres.-Finance of PSC INC., the corporation described in and which executed the above instrument; that he has been authorized to execute said instrument on behalf of said corporation; and that he signed said instrument on behalf of said corporation pursuant to said authority.

Allyn Van Dusen
Notary Public

[Notarial Seal]

ALLYN VAN DUSEN
Notary Public, State of New York
Monroe County 7/7/98
Commission Expires

PNY7-494573

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JUL 11 '96 08:48 FR PENNIE EDMOND

TO 17162323528

P.22

STATE OF NEW YORK)
MONROE) ss.:
COUNTY OF ~~NEW YORK~~)

On the 11th day of July, 1996, before me personally came William J. Woodard to me known, who, being by me duly sworn, did depose and say he resides at 4 Riesling Court, Fairport, NY

and that he is the Vice President of SPECTRA-PHYSICS SCANNING SYSTEMS, INC., the corporation described in and which executed the above instrument; that he has been authorized to execute said instrument on behalf of said corporation; and that he signed said instrument on behalf of said corporation pursuant to said authority.

Allyn Van Dusen

Notary Public

ALLYN VAN DUSEN
Notary Public, State of New York
Monroe County
Commission Expires 7/7/98

[Notarial Seal]

STATE OF NEW YORK)
MONROE) ss.:
COUNTY OF ~~NEW YORK~~)

On the 10th day of July, 1996, before me personally came William J. Woodard to me known, who, being by me duly sworn, did depose and say he resides at 4 Riesling Court, Fairport, NY

and that he is the Vice Pres. - Finance of LAZERDATA CORPORATION, the corporation described in and which executed the above instrument; that he has been authorized to execute said instrument on behalf of said corporation; and that he signed said instrument on behalf of said corporation pursuant to said authority.

Allyn Van Dusen

Notary Public

ALLYN VAN DUSEN
Notary Public, State of New York
Monroe County
Commission Expires 7/7/98

[Notarial Seal]

RENY-4945713

30

STATE OF NEW YORK)
) ss.:
COUNTY OF ~~NEW YORK~~)
 Monroe

On the 11th day of July, 1996, before me personally came
Jeffrey P. Kenefick to me known, who, being by me duly
sworn, did depose and say he resides at 13262 Martin Road Alton NY

and that he is the
AVP of FLEET BANK, the corporation described in and which
executed the above instrument; that he has been authorized to execute said instrument on
behalf of said corporation; and that he signed said instrument on behalf of said corporation
pursuant to said authority.

Allyn Van Dusen
Notary Public

[Notarial Seal]

ALLYN VAN DUSEN
Notary Public, State of New York
Monroe County 7/7/98
Commission Expires

72173-40473 J

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EXHIBIT A

to

Intellectual Property Security Agreement

**FORM OF INTELLECTUAL PROPERTY
SECURITY AGREEMENT SUPPLEMENT**

_____, 19__

**Fleet Bank, as Administrative Agent
under the Credit Agreement
referred to below**

Attention: _____

**Intellectual Property Security Agreement
dated as of _____, 1996
made by PSC ACQUISITION, INC., PSC INC.,
SPECTRA-PHYSICS SCANNING SYSTEMS, INC. and the other
Grantors to Fleet Bank, as Administrative Agent**

Ladies and Gentlemen:

Reference is made to the above-captioned Intellectual Property Security Agreement (such Intellectual Property Security Agreement, as in effect on the date hereof and as it may hereafter be amended, modified or otherwise supplemented from time to time, being the "Intellectual Property Security Agreement") and to the Agreement on Patent Applications dated as of July __, 1996 made by PSC Acquisition, Inc., PSC Inc., Spectra-Physics Scanning Systems, Inc. and the other Grantors to Fleet Bank, as Administrative Agent (the "Agreement on Patent Applications"). The terms defined in the Intellectual Property Security Agreement (or in the Credit Agreement referred to therein) and not otherwise defined herein are used herein as therein defined.

PENY3-494573.3

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JUL 11 '96 00:49 FR PENNIE EDMOND

TO 17162323528 P.26

SCHEDULE I

PATENTS AND PATENT APPLICATIONS*

I. PSC Inc.

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
Bar Code Scanner	D330,707	11/03/82
Bar Code Scanner	D330,708	11/03/82
Handheld Bar Code Scanner	D349,109	07/28/84
Bar Code Scanner	D350,735	09/20/84
Optical Scanner	D352,836	11/29/84
Optical Scanner	D352,937	11/29/84
Optical Scanner	D352,938	11/29/84
Optical Scanner	D352,939	11/29/84
Hand-Held Optical Scanner	D358,588	05/23/85
Hand-Held Optical Scanner	D381,566	08/22/85
Systems for Optical Scanning Over a Large Depth of Field	4,560,862	12/24/85
Optical Device for Detecting Coded Symbols	4,603,262	07/29/86
Bar Code Scanner Laser Radiation Exposure Limit Control System	4,639,806	01/27/87
Optical Device for Detecting Coded Symbols	4,652,750	03/24/87
Apparatus for Scanning and Reading Bar Codes	4,820,911	04/11/89
Bar Code Scanner Mirror Assembly	5,012,079	04/30/91
Scan Modules for Bar Code Readers and the Like in Which Scan Elements are Flexurally Supported	5,016,831	05/14/91
Bar Code Reading Systems Having Electrical Power Conservation and Laser Radiation Power Limiting Means	5,019,698	05/28/91
Modular Connector Assembly Which Provides Strain Relief	5,030,111	07/09/91
Scan Modules for Bar Code Readers and in Which Scan Elements are Flexurally Supported	5,116,120	05/18/92

* See Schedule to Agreement on Patent Applications dated July __, 1986, in which each of the Grantors' patent applications subject to this Intellectual Property Security Agreement is scheduled.

PENY3-497161.1

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TO 1716232352B

P.27

Scanner	6,124,638	06/23/92
Multi Directional Laser Scanner	5,132,524	07/21/92
Digitally Controlled System for Scanning and Reading Bar Codes	5,200,597	04/06/93
Portable Transaction Terminal	5,208,449	05/04/93
Differentiating and Integrating Circuit for Translating Bar Code Signals into Corresponding Pulses	5,210,397	05/11/93
Handheld Bar Code Scanner with Improved Aiming Means	5,212,371	05/18/97
Portable Transaction Terminal for Optical and Key Entry of Data Without Keyboards and Manually Actuated Scanner	5,212,372	05/18/93
Bar Code Reading Instrument Which Prompts Operator to Scan Bar Codes Properly	5,231,293	07/27/93
Uniprot interface for a Bar Code Reading Instrument	5,233,169	08/03/93
System for Automatically Reading Symbols, such as Bar Codes, on Objects which are Placed in the Detection Zone of a Symbol Reading Unit, such as a Bar Code Scanner	5,237,161	08/17/93
Bar Code Scanner	5,258,604	11/02/93
Motor Control System Especially for Control of an Optical Scanner	5,258,699	11/02/93
System for Automatically Reading Symbols, such as Bar Codes, on Objects which are Placed in the Detection Zone of a Symbol Reading Unit, such as a Bar Code Scanner	5,260,554	11/09/93
Scanning Device for Reconstructing a Complete Code from Scanned Segments	5,296,691	03/22/94
A System for Decoding Bar Coded Labels Upon Different Size Containers	5,317,166	05/31/94
Handle-Less Bar Code Scanning System	5,329,106	07/12/94
False Bar Code Inhibitor Circuit	5,382,783	01/17/95
Diffraction Optical Beam Shaping Methods and Apparatus for Providing Enhanced Depth of Working Range of Bar Code Scanners	5,386,105	01/31/95
Scanning Device for Reconstructing a Complete Code from Scanned Segments	5,387,787	02/07/95
Lapel Data Entry Terminal	5,389,917	02/14/95
Bar Code Signal Digitizer Adapted for Signals from Inverse Bar Codes	5,420,410	05/30/96

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P.28

Optical Symbol (Bar Code) Reading Systems Having an Electro-Optic Receptor with Embedded Grating Rings	5,422,472	06/06/96
Optical System for Scanning and Reading Barcodes with Manually Controlled Scan Beam Length	5,440,111	08/08/96
Integrated Bar Code Reading and Location Mouse	5,448,050	09/08/96
Apparatus & Method for Decoding Bar Codes	5,481,097	01/02/96
Low Noise Wide Band Amplifier	5,504,450	04/02/96
Holder for Handheld Portable Bar Code Scanner	5,508,606	04/16/96
Bar Code Scanner with Field Replaceable Window	5,512,740	04/30/96

II. Spectra-Physics, Inc.

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
Laser Diode Mounting System	4,601,452	07/22/86
Trifocal Lens for a Laser Instrument	4,678,288	07/07/87
Handheld Bar Code Reader With Modulated Laser Diode and Detector	4,694,182	09/15/87
Optical Beam Scanner With Rotating Mirror	4,689,447	10/13/87
Power Controlling System for Controlling the Power Output of a Modulated Laser Diode	4,709,369	11/24/87
Signal Transition Detection Method and System	4,749,879	06/07/88
Beam Forming and Collection Lens Assembly for Laser Scanner System	4,788,798	11/22/88
Bar Code Reader With Compensation for Signal Variation on Different Scan Lines	4,792,866	12/20/88
Method and System for Control of A Bar Code Scanner Threshold	4,798,943	01/17/89
Shallow Bar Code Scanner	4,799,164	01/17/89
Bar Code Scanner Laser Emission Reduction	4,845,349	07/04/89
Optical Scan Pattern Generating Arrangement for Laser Scanner	4,861,973	08/29/89
Laser Diode Power Control and Modulator Circuit	4,868,636	08/19/89
Method of Decoding a Binary Scan Signal	4,879,456	11/07/89
Bar Code Scanner with Asterisk Scan Pattern	4,939,356	07/03/90
Multi-Faceted Optical Device for Laser Scanner	4,943,127	07/24/90

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P.29

Mounting Arrangement for Vertically Mounting A Scanner	4,962,305	10/09/90
Bar Code Scanner and Method of Scanning	4,963,719	10/16/90
Data Gathering System Including Cradle Suspension	4,971,176	11/20/90
Data Gathering System Housing/Mounting	4,971,177	11/20/90
Spill Control Mounting for Data Gathering System	4,991,692	02/12/91
Brushless DC Motor Speed Control Via Power Supply Voltage Level Control	5,001,406	03/19/91
Seal for Optical Scanner Window	5,042,821	08/27/91
Scale Calibration/Zeroing in Data Gathering System	5,086,879	02/11/92
Bar Code Scanning System With Multiple Decoding Microprocessors	5,144,118	09/01/92
Scanner System Interface	5,179,270	01/12/93
Bar Code Scanner and Method of Scanning Bar Codes Labels With or Without an Add-on Code	5,199,649	03/30/93
Modular Handheld or Fixed Scanner	5,214,270	05/25/93
Method and Apparatus for Mounting a Compact Optical Scanner	5,232,185	08/03/93
Bar Code Scanning System With Converter Means and Microprocessor Means Contained in a Single Integrated Circuit	5,247,161	09/21/93
Laser Beam Scanner With Low Cost Ditherer Mechanism	5,329,103	07/12/94

III. Spectra-Physics Scanning Systems, Inc.

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
Scanner with Coupon Validation	Re36,117	12/12/85
Mounting Bracket For A Compact Optical Scanner	D312,631	12/04/90
Mounting Bracket For A Compact Optical Scanner	D313,590	01/08/91
Window For An Optical Scanner	D320,011	09/17/91
Window For An Optical Scanner	D320,012	09/17/91
Window For An Optical Scanner	D323,492	01/28/92
Stand for a Handheld Laser Scanner	D350,127	09/30/94
Laser Scanning Housing	D351,148	10/04/94
Laser Scanner Head	D351,150	10/04/94

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P.38

Bar Code Scanner And Method of Programming	4,861,972	08/29/88
Bar Code Scanner and Method	4,866,257	09/12/89
Interface Apparatus	4,884,522	01/16/90
Automatic Package Label Scanner	4,939,355	07/03/90
Scanner with Coupon Validation	5,128,520	07/07/92
Pointer Beam For Hand-Held Laser Scanner	5,146,463	09/08/92
Optical System For Data Reading Applications	5,202,784	04/13/93
Dome-Shaped Handheld Laser Scanner	5,228,590	07/20/93
Bar Code Scanner Housing Assembly	5,235,168	08/10/93
Handheld Laser Scanner With Contoured Hand Rest	5,237,162	08/17/93
Bar Code Lottery Ticket Handling System	5,239,165	08/24/93
Scanning System For Preferentially Aligning a Package in an Optimal Scanning Plane For Decoding a Bar Code Label	5,256,864	10/26/93
Handheld Laser Scanner With Built-In Stand	5,274,219	12/28/93
Aiming Beam System For Optical Data Reading Device	5,296,689	03/22/94
Signal Processing Apparatus And Method	5,298,728	03/29/94
Bar Code Scanner And Method of Scanning	5,311,000	05/10/94
Laser Diode Assembly for Laser Scanner System	5,327,451	07/05/94
Multiple-Interface Selection System For Computer Peripherals	5,330,370	07/19/94
Multiple-Interface Selection System For Computer Peripherals	5,347,113	09/13/94
Variable Focus Optical System For Data Reading	5,347,121	09/13/94
Optical Processing System	5,371,361	12/06/94
Bar Code Scanner and Method of Scanning	5,440,110	08/08/95
Combined Scanner and Scale	5,410,108	04/25/96
Multiple Focus Optical System for Data Reading Applications	5,438,187	08/01/95
Omnidirectional Scanning Method and Apparatus	5,448,271	08/29/95
Method and Apparatus for Detecting Transitions in a Time Sampled Input Signal	5,463,211	10/31/95
Scanner Assembly	5,475,206	12/12/95
Multiple Plane Scanning System for Data Reading Applications	5,475,207	12/12/95

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Variable Focus Optical System for Data Reading	5,479,011	12/26/85
Method and Apparatus for Reading Multiple Bar Code Formats	5,481,098	01/02/86
Checkout Counter Scanner Having Multiple Scanning Surfaces	5,481,328	02/13/86
Method and Apparatus for Recognizing and Assembling Optical Code Information from Partially Scanned Segments	5,493,108	02/20/86
Lens Configuration	5,504,350	04/02/86

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SCHEDULE II

TRADEMARK REGISTRATIONS AND APPLICATIONS

I. PSC Inc.

A. Trademark Registrations

<u>Title</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
SCAN DO	1,524,241	02/14/89
PSC & DESIGN	1,526,629	02/28/89
LAZERDATA & DESIGN	1,612,687	09/11/90
SURESCAN	1,761,156	03/30/93
AUTOSENSE	1,763,625	04/06/93
PEOPLE SERVICE CUSTOMERS Q3 PSC & DESIGN	1,821,097	02/15/94

B. Trademark Applications

SCANEDGE	74/586,211	10/17/84
SCAN EDGE	74/586,212	10/17/84
ULTRASCAN	74/586,213	10/17/84
QUICK SCAN	74/586,214	10/17/84
ULTRASCANNER	74/586,215	10/17/84
QUICKSCAN	74/586,325	10/17/84
NANOSCAN	74/588,578	10/21/84
NANOSCANNER	74/588,709	10/21/84
PSC QUICK SHIP	74/664,789	04/24/95
QUICKSCAN and DESIGN	74/655,865	04/25/95
QUICK SCAN PSC & DESIGN	74/667,113	04/28/95
QUICK CHECK	74/698,030	07/06/95
MINUET	74/702,552	07/13/95
CUBE-IN-MOTION	74/703,876	07/20/95
DIRECT ILLUMINATION	74/705,940	07/25/95

PENY3-498349.1

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II. Spectra-Physics, Inc.

A. Trademark Registrations

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
SPECTRA-PHYSICS	0,772,271	06/30/64
Miscellaneous Design	0,772,270	06/30/64
S (Stylized)	1,654,202	08/20/91
SPECTRA-PHYSICS	1,661,478	10/22/91
TSUNAMI	1,759,090	03/16/93

B. Trademark Applications

NONE

III. Spectra-Physics Scanning Systems, Inc.

A. Trademark Registrations

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
BRINGING INFORMATION TO LIGHT	1,548,061	07/18/89
FLAT TOP and Design	1,553,561	08/29/89
MAGELLAN	1,861,693	11/08/94

B. Trademark Applications

NONE

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SCHEDULE III
COPYRIGHT REGISTRATIONS AND APPLICATIONS

I. PSC Inc.

NONE

II. Spectra-Physics, Inc.

NONE

III. Spectra Physics Scanning Systems, Inc.

NONE

PERM-458514.1

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SCHEDULE IV**Licenses****1. PSC Inc.**

Agreement between PSC and Symbol dated on March 6, 1991

Agreement between PSC and Symbol dated on March 30, 1995

Cross-license from Welch-Allyn dated November 26, 1991

License to PSC from Accu-Sort as part of the settlement of Accu-Sort v. LazerData (92-CV-6240, Eastern District of Pennsylvania)

2. Spectra-Physics, Inc. and Spectra-Physics Scanning Systems, Inc.

Agreement dated as of October 1, 1985, between Symbol Technologies, Inc. ("Symbol") and Spectra-Physics, Inc. ("Seller")

Agreement dated January 1, 1995 between Symbol, Seller and Spectra-Physics Scanning Systems, Inc. ("Scanning")

License Agreement dated August 1, 1990 between Opticon, Inc. and Seller

Agreement dated as of May 1, 1992 between International Business Machines Corporation and Scanning

Settlement Agreement dated December 16, 1994 between AT&T Global Information Solutions Company and Scanning

Contract dated March 31, 1993 between Symbol and T.X.C.O.M., SA

Agreement dated January 1, 1993 between Scanning and Point of Sale Data Products, Inc.

Patent License Agreement dated July 11, 1996 between Seller, as Licensor, and Spectra-Physics Holdings USA, Inc. ("Spectra Holdings"), as Licensee

Patent License Agreement dated July 11, 1996 between Scanning, as Licensor, and Spectra Holdings as Licensee

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SCHEDULE V

THIRD PARTY INFRINGEMENTS

1. PSC Inc.

To the best of PSC Inc.'s knowledge, there is currently no infringement or unauthorized use of any item of Intellectual Property Collateral, except as described in Item 3 of PSC Inc.'s Form 10-K for the fiscal year ended December 31, 1995.

2. Spectra-Physics, Inc./Spectra-Physics Scanning Systems, Inc.

To the best of PSC Inc.'s knowledge, there is currently no infringement or unauthorized use of patents of Spectra-Physics, Inc. or Spectra-Physics Scanning Systems, Inc.

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