

09-01-1998



100803784

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

RE MRD 8-28-98

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 # 100726310
- 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

Execution Date  
Month Day Year  
05 28 98

Name You Tools Corporation

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 H&Q You Tools Investment Holding, L.P.

DBA/AKA/TA [ ]

Composed of [ ]

Address (line 1) One Bush Street

Address (line 2) San Francisco, CA 94104

Address (line 3) [ ]

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 Assignment.)

Citizenship/State of Incorporation/Organization California

FOR OFFICE USE ONLY

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:  
REEL: 1775 FRAME: 0635

**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="75/164,892"/>	<input type="text" value="75/365,488"/>	<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"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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

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

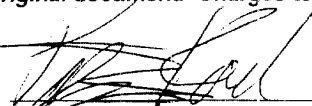
Method of Payment: Enclosed  Deposit Account

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.*

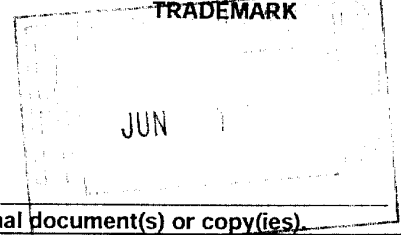
Patricia Koel 

Name of Person Signing Signature Date Signed

06-03-1998



RE 100726310 EET



TRADEMARKS ONLY

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

MRD 6-1-98  
RE

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  Change of Name
  - Other \_\_\_\_\_
- Effective Date  
Month Day Year  
\_\_\_\_\_

Conveying Party

Mark if additional names of conveying parties attached

Name You Tools Corporation Execution Date  
Month Day Year  
05 28 98

Formerly \_\_\_\_\_

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

Receiving Party

Mark if additional names of receiving parties attached

Name H&Q You Tools Investment Holding, L.P.

DBA/AK/A/T/A \_\_\_\_\_

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

Address (line 1) \_\_\_\_\_

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

Address (line 3) \_\_\_\_\_

- 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 Assignment.)

06/03/1998 TTON11 0000018 7516489E  
Citizenship/State of Incorporation/Organization California

01 FE:481 40.00 OP  
02 FC:482 25.00 OP

FOR OFFICE USE ONLY

**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="75/164,892"/>	<input type="text" value="75/365,488"/>	<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"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**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

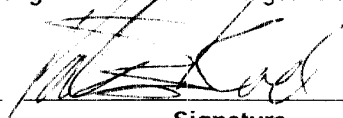
No

**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.

Patricia Koel

Name of Person Signing



Signature

5/29/98

Date Signed

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Security Agreement"), dated as of May 28, 1998, is executed by You Tools Corporation, a C-Corp., AKA FastNet, ("Debtor"), in favor of H&Q You Tools Investment Holding, L.P., a California partnership ("Secured Party").

### RECITALS

A. Debtor and Secured Party have entered into (i) a Loan and Security Agreement (the "Agreement") dated the date hereof, and (ii) a Convertible Promissory Note (the "Note") dated the date hereof, pursuant to which Secured Party has made a Loan(s) available to Debtor.

B. In order to induce Secured Party to enter into the Agreement and the Note, Debtor has agreed to enter into this Security Agreement and to grant the security interest in the Collateral described below.

### AGREEMENT

NOW, THEREFORE, in consideration described in the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Debtor hereby agrees with Secured Party as follows:

1. Definitions and Interpretation. Unless otherwise defined herein, all capitalized terms used herein and defined in the Agreement shall have the respective meanings given to those terms in the Agreement.

2. Grant of Security Interest. As security for the Loan Obligations, Debtor hereby pledges and assigns to Secured Party and grants to Secured Party a security interest in all of its right, title and interests in and to the following property now owned or hereafter acquired (collectively and severally, the "Collateral"):

(a) All copyrights including all original works of authorship fixed in any tangible medium of expression, all right, title and interest therein and thereto, and all registrations and recordings thereof, including all applications, registrations and recordings in the United States Copyright Office or any successor office or agency thereto (the "Copyright Office") or in any similar office or agency of the United States, any state thereof, or any foreign country or any political subdivision thereof, all whether now owned or hereafter acquired by Debtor, including those described on Attachment I hereto (collectively, the "Copyrights");

(b) All patentable inventions, patent rights, shop rights, letters patent of the United States or any other country, all right, title and interest therein and thereto, and all registrations and recordings thereof, including all patent registrations and recordings in the United States Patent and Trademark Office or any successor office or agency thereto (the "Patent and Trademark Office") or in any similar office or agency of the United States, any state thereof or any foreign country or political subdivision thereof, all whether now owned or hereafter acquired by Debtor, including those described in Attachment I hereto (collectively, the "Patents");

(c) All trademarks, trade names, trade styles and service marks, and all prints and labels on which said trademarks, trade names, trade styles and service marks have appeared or appear, and all designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all right, title and interest therein and thereto, all registrations and recordings thereof, including all applications, registrations and recordings in the Patent and Trademark Office or in any similar office or agency of the United States, any state thereof, or any foreign country or any political subdivision thereof, all whether now owned or hereafter acquired by Debtor, including those described in Attachment I hereto (collectively, the "Trademarks");

(d) All goodwill of Debtor's business symbolized by the Trademarks and all customer lists and other records of Debtor relating to the distribution of products or provision of services bearing or covered by the Trademarks;

(e) All information, including formulas, patterns, compilations, programs, devices, methods, techniques or processes, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use, all whether now owned or hereafter acquired by the Debtor (collectively, the "Trade Secrets").

(f) All claims by Debtor against any Person for past, present or future infringement of the Patents, Trademarks, Copyrights, or Trade Secrets;

(g) All proceeds of the foregoing (including, without limitation, whatever is receivable or received when Collateral or proceeds are sold, collected, exchanged, returned, substituted or otherwise disposed of, whether such disposition is voluntary or involuntary, including rights to payment and return premiums and insurance proceeds under insurance with respect to any Collateral, and all rights to payment with respect to any cause of action affecting or relating to the Collateral).

3. Representations and Warranties. Debtor represents and warrants to Secured Party that (a) Debtor is the owner of the Collateral (or, in the case of after-acquired Collateral, at the time Debtor acquires rights in the Collateral, will be the owner thereof) and that no other Person has any right, title, claim or interest (by way of Lien or otherwise) in, against or to the Collateral other than Permitted Liens; (b) Secured Party has or, in the case of after-acquired Collateral, will have, a perfected first-priority security interest in the Collateral; and (c) Debtor does not own any Patents, Trademarks, Copyrights registered in, or the subject of pending applications in, the Patent and Trademark Office, the Copyright Office or any similar offices or agencies in any other country or any political subdivision thereof, other than those described in Attachment I hereto.

4. Covenants Relating to Collateral. Debtor hereby agrees (a) to perform all commercially reasonable acts that may be necessary to maintain, preserve, protect and perfect the Collateral, the Lien granted to Secured Party therein and the first priority of such Lien; (b) to appear in

and defend any action or proceeding which may affect its title to or Secured Party's interest in the Collateral; (c) to promptly register the most recent version of Debtor's material Copyrights, if not so already registered, as Secured Party may reasonably request from time to time; (d) on a continuing basis, to make, execute and acknowledge and deliver appropriate filings with the Patent and Trademark Office and the Copyright Office, including one or more Powers of Attorney substantially in the form of Attachment II hereto. Secured Party agrees not to use the Powers of Attorney unless an Event of Default has occurred and is continuing.

5. Notice of Patent, Trademark or Copyrights. Debtor will promptly notify Secured Party upon (a) the filing by Debtor of an application for the registration of any Patent, Trademark or Copyright with the Patent and Trademark Office or the Copyright Office or any similar office or agency in any other country or any political subdivision thereof, or (b) the acquisition by Debtor of any Patent, Trademark or Copyright that is filed with the Patent and Trademark Office or the Copyright Office or any similar office or agency in any other country or any political subdivision thereof.

6. Successors and Assigns. This Security Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Debtor without Secured Party's prior written consent, which consent may be granted or withheld in Secured Party's sole discretion. Secured Party shall have the right at any time with the consent of Debtor, not to be unreasonably withheld to sell, transfer, or negotiate all or any part of, or any interest in the Loan Obligations, this Agreement or any of the Related Agreements, and upon any such sale, transfer or negotiation, the assignee thereof shall be entitled to all of the right title and interest of the Secured Party so transferred.

7. Severability. If a court of competent jurisdiction finds any provision of this Security Agreement to be invalid or unenforceable as to any person or circumstances, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Security Agreement in all other respects shall remain valid and enforceable.

8. Waiver. Secured Party shall not be deemed to have waived any rights under this Security Agreement, unless such waiver is given in writing and signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver by Secured Party of a provision of this Agreement shall not prejudice or constitute a waiver of Secured Party's right otherwise to demand strict compliance with that provision or any other provision of this Security Agreement. No prior waiver by Secured Party, nor any course of dealing between Secured Party and Debtor, shall constitute a waiver of any of Secured Party's rights or of any obligations of Debtor as to any future transactions. Whenever the consent of Secured Party is required under this Security Agreement, the granting of such consent by Secured Party in any instance shall not constitute continuing consent in subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Secured Party.

9. Counterparts. This Security Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Debtor has caused this Security Agreement to be executed as of the day and year first above written.

YOU TOOLS CORPORATION

By *Sunny Hunt*  
Name:  
Title: *PRESIDENT*

AGREED:

H&Q YOU TOOLS INVESTMENT HOLDING, L.P.

By *Jackie Berterretche*  
Name:  
Title:  
*Jackie Berterretche*  
*Attorney-in-Fact*

6

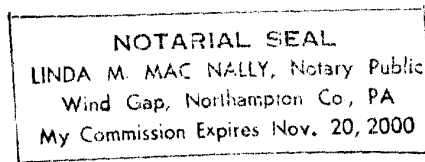


COMMONWEALTH OF PENNSYLVANIA :  
 : SS:  
COUNTY OF NORTHAMPTON :

On this, the 28TH day of May, 1998, before me, the undersigned officer, a notary public, personally appeared Sonny Hunt, who acknowledged him/herself to be President of You Tools Corporation being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

  
Notary Public



ATTACHMENT I  
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

REGISTERED TRADEMARKS

<u>Trademark</u>	<u>Jurisdiction</u>	<u>Registration Date</u>	<u>Registration Number</u>
None.			

TRADEMARK APPLICATIONS

<u>Trademark</u>	<u>Jurisdiction</u>	<u>Filing Date</u>	<u>Application Number</u>
FASTNET	USA	9/12/1996	75/164,892
INCOMPLETE CIRCLE Design	USA	9/30/1997	75/365,488



FASTNET	Canada	4/24/1997	843252
---------	--------	-----------	--------

PATENTS

<u>Patent No.</u>	<u>Jurisdiction</u>	<u>Patent Date</u>	<u>Title</u>
None.			

PATENT APPLICATIONS

<u>Serial No.</u>	<u>Jurisdiction</u>	<u>Filing Date</u>	<u>Title</u>
None.			

COPYRIGHTS (including copyright applications)

<u>Copyrights</u>	<u>Jurisdiction</u>	<u>Registration Date</u>	<u>Registration Number</u>
-------------------	---------------------	--------------------------	----------------------------

None. However, You Tools Corporation claims copyright protection under U.S. Copyright law for its advertising and marketing materials as well as its Internet web site and other works of authorship. You Tools Corporation endeavors to identify its copyright protected works with appropriate indicia.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the 28 day of MAY, 1998:

**DEBTOR:**

**YOU TOOLS CORPORATION**

By: Sonny Hunt  
Title: PRESIDENT

**SECURED PARTY:**

**H&Q YOU TOOLS INVESTMENT HOLDING, L.P.:**

By: Jackie Berterretche  
Title: Attorney-in-Fact

On this the 28th day of May, 1998 before me, the undersigned officer, a notary public, personally appeared Sonny Hunt, who acknowledged himself to be the President of You Tools Corporation being authorized to do so, executed the foregoing instrument for the purposes therein contained.

In witness whereof, I have hereunto set my hand and notarial seal.

Linda M. MacNally  
Notary Public

NOTARIAL SEAL  
Linda M. MacNally, Notary Public  
Wind Gap, Northampton Co., PA  
My Commission Expires Nov. 20, 2000  
5/28/98: 08:17 AM

**HAMBRECHT & QUIST**

ONE BUSH STREET  
SAN FRANCISCO, CA 94104  
(415) 439-3630  
FACSIMILE: (415) 439-3804

May 22, 1998

VIA U.S. MAIL - CERTIFIED

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

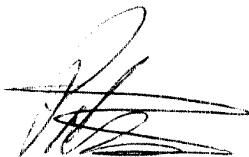
Re: H&Q You Tools Investment Holding, L.P. Recordation of  
Security Interest in You Tools Corporation Trademark

Ladies and Gentlemen:

Enclosed for recordation is a Trademark Cover Sheet, together with attached Security Agreement. Also enclosed is our firm check in the amount of \$65.00 to cover recordation fee.

If you have nay questions concerning the enclosed document, please call me at (415) 439-3630. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patricia Koel', with a horizontal line drawn through the middle of the signature.

Patricia Koel