

10-19-1998

FORM PTO-1594
(Rev 5-93)

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



10-13-98

To the Honorable Commissior

100852359

ed original documents or copy thereof.

<p>1. Name of conveying party(ies): SYSTEM 1 SOFTWARE, INC.</p> <p>Individual(s) citizenship:</p> <p>Association: General Partnership: Limited Partnership: Corporation - State: Other:</p> <p>Additional name(s) of conveying party(ies) attached? [] Yes [X] No</p> <p>3. Nature of Conveyance: [] Assignment [] Merger [X] Security Agreement [] Change of Name [] Other</p> <p>Execution Date: AUGUST 18, 1998</p>	<p>2. Name and address of receiving party(ies): Name: IMPERIAL BANK Address: 226 AIRPORT PARKWAY City: SAN JOSE State: CA Zip: 95110</p> <p>Individual(s) citizenship: Association: General Partnership: Limited Partnership: Corporation - State: Other:</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [] No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? [] Yes [x] No</p>
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<p>4. Application number(s) or trademark number(s): A. Trademark Application No. s) 75/164,625</p>	<p>B. Trademark Registration No.(s)</p>
<p>Additional numbers attached? [] Yes [X] No</p>	

<p>5. Name and address of party to whom correspondence concerning document should be mailed: Name: Erin O'Brien Internal Address: GRAY CARY WARE & FREIDENRICH 400 Hamilton Avenue Palo Alto, California 94301</p>	<p>6 Total number of applications and registrations involved: 1</p> <p>7. Total fee (37 CFR 3.41) \$ 40.00 [] Enclosed [X] Authorized to be charged to deposit account</p> <p>8. Deposit account number: <u>07-1907</u> (Attach duplicate copy of this page if paying by deposit account).</p>
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DO NOT USE THIS SPACE

9. 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.

Erin O'Brien *Erin O'Brien* October 12, 1998
Name of Person Signing Signature Date

Total number of pages comprising cover sheet: [6]

Mail Documents to be recorded with required cover sheet information to:
U.S. Patent and Trademark Office, Office of Public Records
1213 Jefferson Davis Highway, 3rd Floor
Arlington, VA 22202

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of August 18, 1998 by and between IMPERIAL BANK ("Bank") and SYSTEM 1 SOFTWARE, INC. ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement). Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof. Notwithstanding the foregoing, Grantor shall not be required to list on Exhibit B hereto, with respect to any patent application, or any document filed with the Commissioner of Patents and Trademarks, with respect hereto, or with respect to any other publicly filed document, any qualitative and descriptive text referring to the subject matter of such patent application or other publicly filed document.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude

the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

IN WITNESS WHEREOF, the parties have cause this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

146 North Canal Street, Suite 200
Seattle, WA 98103

Attn: Stan Munk

SYSTEM 1 SOFTWARE, INC.

By: SI [Signature]

Title: Secretary

BANK:

Address of Bank:

226 Airport Parkway
San Jose, CA 95110

Attn: Corporate Banking Center

IMPERIAL BANK

By: J.P. Michael

Title: AVP

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
System 1		
System 1 Select		
System 1 Plus		
System 1 Lease Commerce Center		
System 1 FormsLink		
System 1 FaxLink		
System 1 ImageLink		
System 1 BureauLink		
System 1 UCCLink		
System 1 ScoringLink		

EXHIBIT B

Patents

Description

Registration/
Application
Number

Registration/
Application
Date

EXHIBIT C

Trademarks

<u>Description</u>	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
System 1	75/164,625	