

01-08-1999

1/6/99



100937625

To the Honorable Commissioner of

original documents or copy thereof.

1. Name of conveying party(ies):

NETSTOCK DIRECT CORPORATION

Individual(-) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: Washington

Other:

Additional name(s) of conveying party(ies) attached? [] Yes [X] No

3. Nature of Conveyance:

- Assignment
- Security Agreement 27
- Other
- Merger
- Change of Name

Execution Date: 12/21/98

2. Name and address of receiving party(ies)

Name: IMPERIAL BANK
Address: 226 AIRPORT PARKWAY
City: SAN JOSE State: CA Zip: 95110

Individual(-) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other: a California chartered bank

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

4. Application number(s) or trademark number(s):

A. Trademark Application No.(s)

- 75/516.602 75/512,234
- 75/516.601 75/512,233
- 75/516.600

B. Trademark Registration No.(s)

N/A

Additional numbers attached? [] Yes [X] No

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

6 Total number of applications and registrations involved

7. Total fee (37 CFR 3.41) \$ 140.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: 07-1907

(Attach duplicate copy of this page if paying by deposit account)

01/07/1999 JSHABAZZ 00000046 071907 75516602

01 FC:481 40.00 CH
02 FC:482 100.00 CH

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COMMERCIAL BRANCH

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
Name of Person Signing

Signature

January 5, 1999
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

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of December 21, 1998 by and between IMPERIAL BANK ("Bank") and NETSTOCK DIRECT CORPORATION ("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).

B. 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.

C. 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.

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.

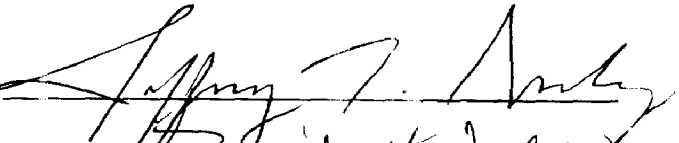
GRANTOR:

Address of Grantor:

1750 112th Avenue NE, Suite D-258
Bellevue, WA 98004-3727

Attn: _____

NETSTOCK DIRECT CORPORATION

By: 
Title: President & CEO

BANK:

IMPERIAL BANK

Address of Bank

226 Airport Parkway
San Jose, CA 95110

Attn: Corporate Banking Center

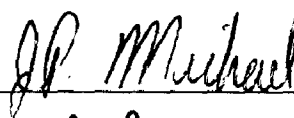
By: 
Title: AVP

EXHIBIT A

Copyrights

Description

Registration/
Application
Number

Registration/
Application
Date

EXHIBIT B

Patents

Description

Registration/
Application/
Number

Registration/
Application
Date

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Netstock	75/516,602	07/10/98
Netstock Direct	75/516,601	07/10/98
Netstock.com	75/516,600	07/10/98
Kidstock	75/512,234	06/26/98
Kidstock.com	75/512,233	06/26/98

Gray Cary Ware ▲ Freidenrich LLP

400 Hamilton Avenue, Palo Alto, CA 94301-1825
Phone: 650-328-6561 Fax: 650-327-3699 www.gcwf.com

Writer's Direct Dial: 650-833-2077
Internet: eobrien@gcwf.com

Our File No:
1090371-913500

January 5, 1999

VIA FEDERAL EXPRESS

U.S. Patent and Trademark Office
Office of Public Records
Attn: Customer Services Counter
1213 Jefferson Davis Highway, 3rd Floor
Arlington, VA 22202

Re: Grantor: Netstock Direct Corporation
Secured Party: Imperial Bank

Dear Sir or Ms:

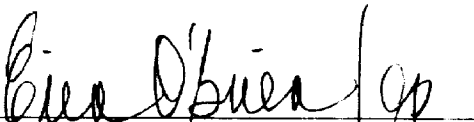
Enclosed please find the following documents:

- 1) Recordation Form Cover Sheet for Trademarks only;
- 2) Intellectual Property Security Agreement between Netstock Direct Corporation, as Grantor, and Imperial Bank, as Secured Party; and
- 3) A self-addressed postage paid postcard for your use to indicate receipt of the enclosed documents.

Please record these documents and debit this firm's Deposit Account No. 07-1907 for the required recordation fees. Once the security interest has been recorded, please return the original Notice of Recordation to me at the above-listed address.

Sincerely,

GRAY CARY WARE & FREIDENRICH LLP

By: 
Erin O'Brien, Paralegal

Enclosures

cc: Ms. Debbie Constantine-Skouras (w/enclosures)

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FEDERAL EXPRESS

SILICON VALLEY
PA\865610.1
1090371-913500

SAN DIEGO

SAN FRANCISCO

AUSTIN

LA JOLLA

IMPERIAL VALLEY

MEXICO

RECORDED: 01/06/1999

TRADEMARK
REEL: 1837 FRAME: 0240