

04-13-1999

FORM PTO-1594
(Rev 5-93)



U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

101008085

To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.

4-6-99

1. Name of conveying party(ies):
NTH DEGREE SOFTWARE, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: Delaware

Other:

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

3. Nature of Conveyance:

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

Execution Date: April 1, 1999

2. Name and address of receiving party(ies):

Name: IMPERIAL BANK
Address: 226 Airport Parkway
City: San Jose State: CA Zip: 95110

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other: California limited liability company

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)

74/669,306

64/669,304

B. Trademark Registration No.(s)

1,972,787

1,972,785

1,973,744

1,968,407

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: 6

7. Total fee (37 CFR 3.41) \$ 165.00

[] Enclosed

[X] Authorized to be charged to deposit account

8. Deposit account number: 07-1907

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

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

Erin O'Brien
Signature

April 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

04/08/1999 DNGUYEN 00000309 071907 1972787

01 FC:481 40.00 CH
02 FC:482 125.00 CH

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1090371-914800

TRADEMARK
REEL: 1881 FRAME: 0654

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of April 1, 1999 by and between IMPERIAL BANK ("Bank") and NTH DEGREE SOFTWARE, INC. a Delaware corporation ("Grantor").

RECITALS

A. Grantor is a Delaware corporation which formerly had its principal place of business at P.O. Box 1322, Zephyr Cove, Nevada 89448 but which now has its principal place of business at 2625 Northrup Way, Bellevue, Washington 98004.

B. 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).

C. 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.

D. 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:

2625 Northrup Way
Bellevue, Washington 98004

Attn: William Guttman

NTH DEGREE SOFTWARE, INC.

By: 

Title: President

BANK:

Address of Bank:

226 Airport Parkway
San Jose, CA 95110

Attn: Corporate Banking Center

IMPERIAL BANK

By: 

Title: JVP

EXHIBIT A

Copyrights

<u>Description</u>	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
DigitalPM	TXu723948	5/23/96
Keystone	TXu723947	5/23/96
Proteus	TX4159523	5/23/96
VP manufacturing	TX4159522	5/23/96

EXHIBIT B

Patents

Registration/
Application
Number

Registration/
Application
Date

Description

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
COSTODOMETER	1,972,787	5/7/96
THE NEWSPAPER ARCHITECT	1,973,744	5/14/96
THE MAGAZINE ARCHITECT	1,972,785	5/7/96
PROTEUS	1,968,407	4/16/96
AUTOMAKEUP	74/669,306	5/3/95
COSTOPTIMIZER	74/669,304	5/3/95

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Our File No:
1090371-914800

April 5, 1999

VIA FEDEX

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

Re: Grantor: Nth Degree Software, Inc.
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 Nth Degree Software, Inc. and Imperial Bank;
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*
Erin O'Brien, Paralegal

Enclosures

cc: Ms. Christine Bauer (w/enclosures)

RECORDED
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RECORDATION DIVISION

SILICON VALLEY
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SAN DIEGO

SAN FRANCISCO

AUSTIN

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MEXICO

RECORDED: 04/06/1999

TRADEMARK
REEL: 1881 FRAME: 0660