

05-05-1999

SHEET
1 OF 1

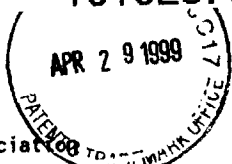


To the Honorable Commissioner of Patents

attached original documents or copy thereof.

1. Name of conveying party(ies):
Convoy Corporation

101028766



and address of receiving party(ies):

Name: Business Factors, Inc. dba BFI Business Finance

Internal Address: _____

- Individual(s)
- General Partnership
- Corporation-State Delaware
- Other _____
- Association
- Limited Partnership

Street Address: 1655 The Alameda

City: San Jose State: CA ZIP: 95126

Additional name(s) of conveying party(ies) attached?

Yes No

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State California
- Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached:

Yes No
(Designation must be a separate document from Assignment)

3. Nature of Conveyance:

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

Additional Name(s) & address(es) attached?

Yes No

4.29.99

Execution Date: March 31, 1999

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

A. Trademark Application No.(s)

B. Trademark registration No.(s)

See Attachment

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Chris S. Friedrich, Esq.

Internal Address: Mahl, Rehon, Walworth & Roberts
Street Address: 10 Almaden Blvd., Suite 550
City, State, ZIP: San Jose, CA 95113
Telephone: (408) 494-0900
Facsimile: (408) 494-0909
Attorney Docket No. _____

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41):\$ 65.00

- Enclosed
- Charge any deficiencies in the enclosed fee to Deposit Account No.
- Authorized to be charged to deposit account

8. Deposit account number:
(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.

Chris S. Friedrich
Name of Person Signing

Chris Friedrich
Signature

4-28-99
Date

Total number of pages including cover sheet, attachments and document: 13

OMB No. 0651-0011 (exp 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

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

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20213, and to the Office of Management and Budget, Paperwork Reduction Project, (0651-0011), Washington, D.C. 20503

05/04/1999 DNGUYEN 00000340 75133326

01 FC:481 40.00 DP

25.00 DP

TRADEMARK
REEL: 1891 FRAME: 0543

Attachment to Recordation Form Cover Sheet
(Trademarks Only)

TRADEMARKS

Trademark	Jurisdiction	Class	Application or Registration Number	Status
CONVOY	USA	9	75/133326	Registration anticipated during Q2'99
CONVOY/DM	USA	9	75/658565	Pending; new application filed 3/11/99

G:\BF\CONVOY\Doc\Attach\Trademark\1

TRADEMARK
REEL: 1891 FRAME: 0544

COLLATERAL ASSIGNMENT, PATENT MORTGAGE AND SECURITY AGREEMENT

This Collateral Assignment, Patent Mortgage and Security Agreement (this "Assignment") is made as of this 31st day of March, 1999 by and between Convoy Corporation, a California corporation ("Assignor") and Business Factors, Inc., dba BFI Business Finance ("Assignee"), a California corporation.

RECITALS

A. Assignee has agreed to lend to Assignor certain funds (the "Loan"), and Assignor desires to borrow such funds from Assignee and will be secured in part pursuant to the terms of a Loan and Security Agreement (Accounts Receivable and Inventory Line of Credit) dated April 1, 1999 (the "Loan Agreement").

B. In order to induce Assignee to make the Loan, Assignor has agreed to assign certain intangible property to Assignee for purposes of securing the obligations of Assignor to Assignee.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Assignment, Patent Mortgage and Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Assignor's present or future indebtedness, obligation and liabilities to Assignee, Assignor hereby assigns, transfers, conveys and grants a mortgage to Assignee, as security, Assignor's entire right, title and interest in, to and under the following (all of which shall collectively be called the "Collateral"):

(a) Any and all copyright rights, copyright application, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto (collectively, the "Copyrights");

(b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, or acquired or held;

(c) Any and all design rights which may be available to Assignor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the "Patents");

(e) Any trademark and service mark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Assignor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the "Trademarks");

(f) Any and all claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(g) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use; and

(h) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

THE INTEREST IN THE COLLATERAL BEING ASSIGNED HEREUNDER SHALL NOT BE CONSTRUED AS A CURRENT ASSIGNMENT, BUT AS A CONTINGENT ASSIGNMENT TO SECURE ASSIGNOR'S OBLIGATIONS TO ASSIGNEE UNDER THE NOTE AND SECURITY AGREEMENT.

2. Authorization and Request. Assignor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this conditional assignment.

3. Covenants and Warranties. Assignor represents, warrants, covenants and agrees as follows:

(a) Assignor is now the sole owner of the Collateral, except for non-exclusive licenses granted by Assignor to its customers in the ordinary course of business and except for liens, encumbrances or security interests described in Exhibit D attached hereto;

(b) Performance of this Assignment does not conflict with or result in a breach of any agreement to which Assignor is party or by which Assignor is bound;

(c) During the term of this Assignment, Assignor will not transfer or otherwise encumber any interest in the Collateral, except for non-exclusive licenses granted by Assignor;

(d) Each of the Patents is valid and enforceable, and no part of the Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Collateral violates the rights of any third party;

(e) Assignor shall promptly advise Assignee of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Assignor in or to any Trademark, Patent or Copyright not specified in this Assignment;

(f) Assignor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (ii) use its best efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Assignee in writing of material infringements detected and (iii) not allow any Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Assignee, which shall not be unreasonably withheld;

(g) Assignor shall promptly register the most recent version of any of Assignor's copyrights, if not so already registered, and shall, from time to time, execute and file such other instruments, and take such further actions as Assignee may request from time to time to perfect or continue the perfection of Assignee's interest in the Collateral;

(h) This Assignment creates, and in the case of after acquired Collateral, this Assignment will create at the time Assignor first has rights in such after acquired Collateral, in favor of Assignee a valid and perfected first priority security interest in the Collateral in the United States securing the payment and performance of the obligations evidenced by the Note upon making the filings referred to in clause (i) below;

(i) Except for, and upon, the filing with the United States Patent and Trademark office with respect to the Patents necessary to perfect the security interests and assignment created

hereunder, and, except as has been already made or obtained, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either (i) for the grant by Assignor of the security interest granted hereby or for the execution, delivery or performance of this Assignment or by Assignor or (ii) for the perfection in the United States or the exercise by Assignee of its rights and remedies hereunder;

(j) All information heretofore, herein or hereafter supplied to Assignee by or on behalf of Assignor with respect to the Collateral is accurate and complete in all material respects;

(k) Assignor shall not enter into any agreement that would materially impair or conflict with Assignor's obligations hereunder without Assignee's prior written consent. Assignor shall not permit the inclusion in any contract to which it becomes a party of any provisions that could or might in any way impair or prevent the creation of a security interest in Assignor's rights and interests in any property included within the definition of the Collateral acquired under such contracts; and

(l) Upon any officer of Assignor obtaining knowledge thereof, Assignor will promptly notify Assignee in writing of any event that materially adversely affects the value of any of the Collateral, the ability of Assignor or Assignee to dispose of any of the Collateral or the rights and remedies of Assignee in relation thereto, including the levy of any legal process against any of the Collateral.

4. Assignee's Rights. Assignee shall have the right, but not the obligation, to take, at Assignor's sole expense, any actions that Assignor is required under this assignment to take but which Assignor fails to take, after five (5 days' telephonic or written notice to Assignor. Assignor shall reimburse and indemnify Assignee for all costs and expenses incurred in the reasonable exercise of its rights under this section 4.

5. Inspection Rights. Assignor hereby grants to Assignee and its employees, representatives and agents the right to visit, during reasonable hours upon prior reasonable notice to Assignor, and any of Assignor's and its subcontractors' plants and facilities that manufacture, install or store products (or that have done so during the prior six-month period) that are sold under any of the Collateral, and to inspect the products and quality control records relating thereto upon reasonable notice to Assignor and as often as may be reasonably requested; provided, however, nothing herein shall entitle Assignee to access to Assignor's trade secrets and other proprietary information.

6. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Assignor will, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including, appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Assignee to carry out the intent and purposes of this Collateral Assignment, or for assuring and confirming to Assignee the grant or perfection of a security interest in all Patents.

(b) Assignor hereby irrevocably appoints Assignee as Assignor's attorney-in-fact, with full authority in the place and stead of Assignor and in the name of Assignor, Assignee or otherwise, from time to time in Assignee's discretion, to take any action and to execute any instrument which Assignee may deem necessary or advisable to accomplish the purposes of this Collateral Assignment, including:

(i) To modify in its sole discretion this Collateral Assignment without first obtaining Assignor's approval of or signature to such modification by amending Exhibit A, Exhibit B and Exhibit C thereof, to include reference to any right title or interest in any copyright, patents, or trademarks acquired by Assignor after the execution hereof or to delete any reference to any right, title, interest in any

copyrights, patents, or trademarks in which Assignor no longer has or claims any right, title or interest; and,

(ii) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Assignor where permitted by law.

7. Events of Default. The occurrence of any of the following shall constitute an Event of Default under the Assignment:

- (a) An Event of Default occurs under the Loan Agreement or any other agreement;
- or
- (b) Assignor breaches any warranty or agreement made by Assignor in this Assignment.

8. Remedies. Upon the occurrence of an Event of Default, Assignee shall have the right to exercise all the remedies of a secured party under the California Uniform Commercial Code, including without limitation the right to require Assignor to assemble the Collateral and to make it available to Assignee at a place designated by Assignee. Assignor will pay any expenses (including attorneys' fees) incurred by Assignee in connection with the exercise of any of Assignee's rights hereunder, including without limitation any expense incurred in disposing of the Collateral. All of Assignee's rights and remedies with respect to the Collateral shall be cumulative.

9. Indemnity. Assignor agrees to defend, indemnify and hold harmless Assignee and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement, and (b) all losses or expenses in any way suffered, incurred, or paid by Assignee as a result of or in any way arising out of, following or consequential to transactions between Assignee and Assignor, whether under this Assignment or otherwise (including without limitation attorneys fees and expenses), except for losses arising from or out of Assignee's gross negligence or willful misconduct.

10. Reassignment. At such time as Assignor shall completely satisfy all of the obligations secured hereunder, Assignee shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to revest in Assignor full title to the property assigned hereunder, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

11. Course of Dealing. No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

12. Attorneys' Fees. If any action relating to this Assignment is brought by either party hereto against the other party, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements.

13. Amendments. This Assignment may be amended only by a written instrument signed by both parties hereto.

14. Counterparts. This Assignment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

15. California Law and Jurisdiction. This Assignment shall be governed by the laws of the State of California, without regard for choice of law provisions. Assignor and Assignee consent to the non-exclusive jurisdiction of any state or federal court located in Santa Clara County, California.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment on the day and year first above written.

Address of Assignor:

2000 Powell Street, Suite 1380
Emeryville, CA 94608

ASSIGNOR:

Convoy Corporation


By: John Valencia
Its: President

Address of Assignee:

1655 The Alameda
San Jose, CA 95126

ASSIGNEE:

BUSINESS FACTORS, INC. dba
BFI BUSINESS FINANCE



By: David Drogos
Its: Executive Vice President

Exhibit "A"

Copyrights

PENDING – SEE ATTACHED



TX TXU
EFFECTIVE DATE OF REGISTRATION
Month Day Year

DO NOT WRITE ABOVE THIS LINE. IF YOU NEED MORE SPACE, USE A SEPARATE CONTINUATION SHEET.

1

TITLE OF THIS WORK

CONVOY / DM

PREVIOUS OR ALTERNATIVE TITLES

PUBLICATION AS A CONTRIBUTION If this work was published as a contribution to a periodical, serial, or collection, give information about the collective work in which the contribution appeared.

If published in a periodical or serial give: Volume Number Issue Date On Page

2

NAME OF AUTHOR

a CONVOY CORPORATION

Was this contribution in the work a "work made for hire"?

Yes
 No

AUTHOR'S NATIONALITY OR DOMICILE

Name of Country
OR { Citizen of UNITED STATES
Domiciled in UNITED STATES

DATES OF BIRTH AND DEATH

Year Born Year Died

WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK

Anonymous? Yes No
Pseudonymous? Yes No

If the answer to either of these questions is "Yes," see detailed instructions.

NATURE OF AUTHORSHIP Briefly describe nature of material created by this author in which copyright is claimed.
AUTHOR OF ENTIRE COMPUTER PROGRAM

NOTE

Under the law, the "author" of a "work made for hire" is generally the employer, not the employee (see instructions). For any part of this work that was "made for hire" check "Yes" in the space provided, give the employer (or other person for whom the work was prepared) as "Author" of that part, and leave the space for dates of birth and death blank.

NAME OF AUTHOR

b

Was this contribution in the work a "work made for hire"?

Yes
 No

AUTHOR'S NATIONALITY OR DOMICILE

Name of Country
OR { Citizen of
Domiciled in

DATES OF BIRTH AND DEATH

Year Born Year Died

WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK

Anonymous? Yes No
Pseudonymous? Yes No

If the answer to either of these questions is "Yes," see detailed instructions.

NATURE OF AUTHORSHIP Briefly describe nature of material created by this author in which copyright is claimed.

NAME OF AUTHOR

c

Was this contribution in the work a "work made for hire"?

Yes
 No

AUTHOR'S NATIONALITY OR DOMICILE

Name of Country
OR { Citizen of
Domiciled in

DATES OF BIRTH AND DEATH

Year Born Year Died

WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK

Anonymous? Yes No
Pseudonymous? Yes No

If the answer to either of these questions is "Yes," see detailed instructions.

NATURE OF AUTHORSHIP Briefly describe nature of material created by this author in which copyright is claimed.

3

YEAR IN WHICH CREATION OF THIS WORK WAS COMPLETED

This information must be given in all cases.

DATE AND NATION OF FIRST PUBLICATION OF THIS PARTICULAR WORK

Complete this information ONLY if this work has been published.

Month Day Year

4

COPYRIGHT CLAIMANT(S) Name and address must be given even if the claimant is the same as the author given in space 2.

CONVOY CORPORATION
2000 POWELL STREET, SUITE 1380
EMERYVILLE, CA 94608

TRANSFER If the claimant(s) named here in space 4 is (are) different from the author(s) named in space 2, give a brief statement of how the claimant(s) obtained ownership of the copyright.

APPLICATION RECEIVED

ONE DEPOSIT RECEIVED

TWO DEPOSITS RECEIVED

FUNDS RECEIVED

DO NOT WRITE HERE
GIFTS USE ONLY

MORE ON BACK • Complete all applicable spaces (numbers 5-11) on the reverse side of this page.
• See detailed instructions • Sign the form at line 10

DO NOT WRITE HERE
Page 1 of pages

EXAMINED BY

FORM TX

CHECKED BY

CORRESPONDENCE
Yes

FOR
COPYRIGHT
OFFICE
USE
ONLY

DO NOT WRITE ABOVE THIS LINE. IF YOU NEED MORE SPACE, USE A SEPARATE CONTINUATION SHEET.

PREVIOUS REGISTRATION Has registration for this work, or for an earlier version of this work, already been made in the Copyright Office?

Yes No If your answer is "Yes," why is another registration being sought? (Check appropriate in)

a. This is the first published edition of a work previously registered in unpublished form.

b. This is the first application submitted by this author as copyright claimant.

c. This is a changed version of the work, as shown by space 6 on this application.

If your answer is "Yes," give: Previous Registration Number ▾

Year of Registration ▾

5

DERIVATIVE WORK OR COMPILATION Complete both space 6a and 6b for a derivative work; complete only 6b for a compilation.

a. Preexisting Material Identify any preexisting work or works that this work is based on or incorporated.

b. Material Added to This Work Give a brief, general statement of the material that has been added to this work and in which copyright is claimed.

See instructions
before completing
this space

6

— space deleted —

7

REPRODUCTION FOR USE OF BLIND OR PHYSICALLY HANDICAPPED INDIVIDUALS Signature on this form at space 10 and a check in one of the boxes here in space 8 constitutes a non-exclusive grant of permission to the Library of Congress to reproduce and distribute solely for the blind and physically handicapped and under the conditions and limitations prescribed by the regulations of the Copyright Office: (1) copies of the work identified in space 1 of this application in Braille (or similar tactile symbols); or (2) phonorecords embodying a rendition of a reading of that work; or (3) both.

Copies and Phonorecords

Copies Only

Phonorecords Only

See instructions

8

DEPOSIT ACCOUNT If the registration fee is to be charged to a Deposit Account established in the Copyright Office, give name and number of Account.
Name ▾ Account Number ▾

9

CORRESPONDENCE Give name and address to which correspondence about this application should be sent. Name/Address/Apt/City/State/Zip

AMY GILSON, ESQ.
3030 HANSEN WAY, SUITE 100
PALO ALTO, CA 94304-1006

Area Code and Telephone Number ▶

Be sure to
give your
daytime phone
number

CERTIFICATION I, the undersigned, hereby certify that I am the

Check only one ▶

author

other copyright claimant

owner of exclusive right(s)

authorized agent of CONVOY CORPORATION

Name of author or other copyright claimant or owner of exclusive right(s) ▶

of the work identified in this application and that the statements made by me in this application are correct to the best of my knowledge.

Typed or printed name and date ▾ If this application gives a date of publication in space 3, do not sign and submit it before that date.

John Valencia, President of Convoy Corporation

date ▶

3/17/97

Handwritten signature (X) ▾

John Valencia

10

MAIL
CERTIFI-
CATE TO

Name ▾

Amy Gilson, Esq.

Number/Street/Apartment Number ▾

3030 Hansen Way, Suite 100

City/State/ZIP ▾

Palo Alto, CA 94304-1006

Certificate
will be
mailed in
window
envelope

YOU MUST

- Complete all necessary spaces
- Sign your application in space 10
- SEND ALL ELEMENTS IN THE SAME PACKAGE

1. Application form
2. Nonrefundable \$20 filing fee
in check or money order
payable to Registrar of Copyrights
3. Deposit material

MAIL TO:
Registrar of Copyrights
Library of Congress
Washington, D.C. 20540-4001

11

*17 U.S.C. section 506(e). Any person who knowingly makes a false representation of a material fact in the application for copyright registration provided for by section 409, or in any written statement filed in connection with the application, shall be fined not more than \$2,500.

Legislation, 1994

TRADEMARK

REEL: 1891 FRAME: 0552

Exhibit "B"

Patents

NOT APPLICABLE

Exhibit "C"

To
Collateral Assignment, Patent Mortgage and Security Agreement
Dated March 31, 1999

SCHEDULE OF US AND INTERNATIONAL TRADEMARKS
In the name of

CONVOY CORPORATION,
a Delaware corporation

Trademark	Jurisdiction	Class	Application or Registration Number	Status
CONVOY	USA	9	75/133326	Registration anticipated during Q2'99
CONVOY/DM	USA	9	75/658565	Pending; new application filed 3/11/99
CONVOY	CANADA	9	828507	Registration will follow US registration
CONVOY	MEXICO	9	281361	Registered; renewal due 12/03/2006
CONVOY	EUROPEAN COMMUNITY	9, 16	344515	Registered; renewal due 08/16/2006

Exhibit "D"

(list any exceptions to liens, encumbrances or security interests)