

7-16-99

07-20-1999



To the Honorable Commiss

ched original documents or copy thereof.

101091301

1. Name of conveying party(ies):

HARMONY SOFTWARE, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: CALIFORNIA

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: July 1, 1999

Name: SAND HILL CAPITAL II, L.P.  
Address: 3000 SAND HILL ROAD, BLDG. 2 SUITE 110  
City: MENLO PARK State: CA Zip: 94025

Name: SILICON VALLEY BANK  
Address: 3003 TASMAN DRIVE  
City: SANTA CLARA State: CA Zip: 95054

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other:

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)

75/631,878	75/561,051
75/499,968	75/499,632

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  
401 B Street, Suite 1700  
San Diego, California 92101-4297

6 Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41) . . . . . \$ 115.00

[ ] 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

July 15, 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

07/19/1999 DNGUYEN 00000063 071907 75631878

01 FC:481 40.00 CH  
02 FC:482 75.00 CH

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1191271-904900

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of July 1, 1999 by and between SAND HILL CAPITAL II, L.P. ("Sand Hill"), SILICON VALLEY BANK ("SVB", collectively with Sand Hill, "Lenders") and HARMONY SOFTWARE, INC., a California corporation ("Grantor").

## RECITALS

A. Lenders have 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 Lenders 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. Lenders are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Lenders 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 Lenders 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 and all other agreements now existing or hereafter arising between Grantor and Lenders, Grantor hereby represents, warrants, covenants and agrees as follows:

## AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Lenders and Grantor, Grantor grants and pledges to Lenders 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 Lenders under the Loan Agreement. The rights and remedies of Lenders 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 Lenders as a matter of law or equity. Each right, power and remedy of Lenders 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 Lenders 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 Lenders, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

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.

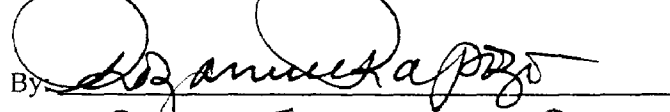
Address of Grantor:

107 South B Street  
San Mateo, CA 94401

Attn: Rozanne Rapozo

GRANTOR:

HARMONY SOFTWARE, INC.

By: 

Title: CHIEF FINANCIAL OFFICER

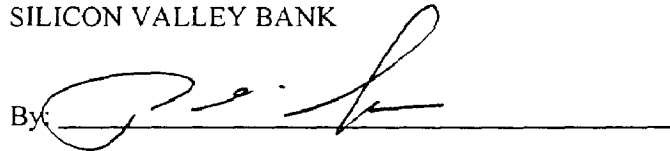
Address of SVB:

3003 Tasman Drive  
P.O. Box 2607  
Santa Clara, CA 95054-1191

Attn: Bryan Jadot

SVB:

SILICON VALLEY BANK

By: 

Title: AVP

Address of Sand Hill:

3000 Sand Hill Road  
Building 2, Suite 110  
Menlo Park, CA 94025

Attn: Daniel Corry

SAND HILL:

SAND HILL CAPITAL II, L.P.

By: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT A

Copyrights

Title

Registration Number

Registration Date

Harmony 360

Unregistered

EXHIBIT B

Patents

NONE

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
360	75/631,878	02/01/99
H (and design)	75/561,051	09/29/98
Harmony Software	75/499,968	06/10/98
Harmony	75/499,632	06/10/98