

09-18-2000



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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

2264468

- Individual General Partnership Limited Partnership Corporation Association
- Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached Appendix I

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

State/Country

Zip Code

- Individual General Partnership Limited Partnership

- Corporation Association

Other

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization

09/18/2000 BNGUYEN 00000332 2264468

FOR OFFICE USE ONLY

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40.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002137 FRAME: 0117

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="2264468"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Richard D. Judkins

Name of Person Signing



Signature

8/15/00

Date Signed

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("**Agreement**") is entered into by and between Cygnion Corporation, a Delaware corporation, having its principal place of business at 41 Discovery, Irvine, California 92618 ("**Debtor**"), and the entities listed on Exhibit A attached hereto (collectively "**Lender**"). This Agreement shall be effective as of the 29th day of June, 2000.

RECITALS

A. Debtor and Lender have entered or will enter into a Security and Intercreditor Agreement and related debt instruments, as now or hereafter amended (including but not limited to that Security and Intercreditor Agreement dated June 29, 2000 (the "**Security Agreement**") and related debt instruments (the "**Notes**"), all of the foregoing being referred to collectively as the "**Loan Agreements**."

B. Pursuant to the provisions of the Loan Agreements, Debtor has agreed to execute and deliver this Agreement to Lender as additional security for Debtor's obligations under the Loan Agreements.

C. This Trademark Security Agreement is being executed in connection with the Loan Agreements under which the Lender is granted a lien on and security interest in machinery, equipment formulations, manufacturing procedures, quality control procedures and product specifications ("**Other Assets**") relating to products sold under the Trademarks (defined below), whereby Lender shall have the right to foreclose on the Trademarks and the Other Assets in the event of the occurrence and continuance of an Event of Default under the Loan Agreements. in order that the owner of the Trademarks may continue the manufacture of products to be sold under the Trademarks and maintain substantially the same product specifications and quality as maintained by Assignor.

AGREEMENT

NOW, THEREFORE, in consideration of the premises, Debtor hereby agrees with Lender as follows:

1. **Security Interest.** To secure the complete and timely satisfaction of all of its obligations under the Loan Agreements, Debtor hereby grants to Lender a lien on and security interest in the entire right, title and interest in and to the trademark applications and trademarks listed in Exhibit "B" hereto (as the same may be amended pursuant to the terms hereof from time to time), including without limitation all renewals thereof, all proceeds of infringement suits, the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "**Trademarks**"), and the good will of the business to which each of the Trademarks relates.

2. **Representations and Covenants of Debtor.** Debtor covenants and warrants to the best of its knowledge that except as disclosed on Exhibit "C":

2.1 The Trademarks are subsisting and to Debtor's knowledge, have not been adjudged invalid or unenforceable;

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TRADEMARK
REEL: 002137 FRAME: 0119

2.2 To Debtor's knowledge, each of the Trademarks is valid and enforceable;

2.3 No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

2.4 Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances other than Permitted Liens (as defined in the "Agreement"), including without limitation pledges, assignments, licenses, registered user agreements and covenants by Debtor not to sue third persons;

2.5 Debtor has the unqualified right to enter into this Agreement and perform its terms;

2.6 Debtor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks; and

2.7 Debtor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under the Trademarks.

3. **Inspection Rights.** Debtor hereby grants to Lender, at Lender's expense, and its employees and agents the right to visit Debtor's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Debtor shall do any and all acts required by Lender to ensure Debtor's compliance with Section 2.7.

4. **No Conflicting Future Agreements.** Debtor agrees that, until all of its obligations under the Loan Agreements shall have been satisfied in full, it will not enter into any agreement which is inconsistent with Debtor's obligations under this Agreement, without Lender's prior written consent, which consent will not be unreasonably withheld.

5. **Future Trademark Filings.** If, before its obligations under the Loan Agreements shall have been satisfied in full, Debtor shall obtain rights to any new trademarks, the provisions of Section 1 shall automatically apply thereto and Debtor shall give Lender prompt written notice thereof.

6. **Amendment of Exhibit "B" in the Future.** Debtor authorizes Lender to modify this Agreement by amending Exhibit "B" to include any future trademarks and trademark applications covered by Sections 1 and 5 hereof.

7. **If an Event of Default Occurs.** If any Event of Default (as defined in the Loan Agreements) shall have occurred and be continuing, Lender shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located and, without limiting the generality of the foregoing, the Lender may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Debtor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in Sunnyvale, California, or elsewhere, all, or from time to time any, of the Trademarks, or any interest

which the Debtor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds after payment in full of the Debtor's obligations under the Loan Agreements. Any remainder of the proceeds after payment in full of the Debtor's obligations under the Loan Agreements shall be paid over to the Debtor. Notice of any sale or other disposition of the Trademarks shall be given to Debtor at least ten (10) days before the time of any intended public or private sale or other disposition of the Trademarks is to be made, which Debtor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of any Note (as defined in the Loan Agreement) or Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Debtor, which right is hereby waived and released.

9. Costs. Any and all fees, costs and expenses, of whatever kind or nature, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by Debtor on demand by Lender and until so paid shall be added to the principal amount of the Debtor's obligations under the Notes and shall bear interest at the rate prescribed in the Notes.

11. Debtor's Continuing Obligations to Protect Trademarks. Debtor shall have the duty, through counsel acceptable to Lender, to the extent necessary to its business, to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement or thereafter until Debtor's obligations under the Notes shall have been paid in full, to renew and maintain any registrations of the Trademarks, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all right in the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by Debtor. The Debtor shall not abandon any Trademark without the consent of the Lender, which consent shall not be unreasonably withheld.

12. Debtor's Responsibility for Legal Proceedings. Debtor shall have the right, with the prior written consent of Lender, which will not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event Lender may, if necessary, be joined as a nominal party to such suit if Lender shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Debtor shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including attorney's fees, incurred by Lender in the fulfillment of the provisions of this Section 12.

13. Appointment of Agent of Lender as Attorney-in-Fact Upon Event of Default. In the event of an Event of Default under the Loan Agreement, Debtor hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Debtor's true and lawful attorney-in-fact, with the power to endorse Debtor's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Debtor hereby

ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

14. Lender's Right to Act if Debtor Fails. If Debtor fails to comply with any of its responsibilities hereunder, Lender may do so in Debtor's name or in Lender's name, but at Debtor's expense, and Debtor hereby agrees to reimburse Lender in full for all expenses, including reasonable attorneys' fees, incurred by Lender in protecting, defending and maintaining the Trademarks.

15. No Waivers Except as Expressly Given. No course of dealing between Debtor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. Rights Cumulative. All of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative any may be exercised singularly or concurrently.

17. Provisions Severable. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

18. Amendments Must be in Writing. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 6.

19. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

20. Governing Laws. IT IS THE INTENTION OF THE PARTIES HERETO THAT THE INTERNAL LAWS OF THE STATE OF CALIFORNIA, U.S.A. (IRRESPECTIVE OF ITS CHOICE OF LAW PRINCIPLES) AND THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA, SHALL GOVERN THE VALIDITY OF THIS LOAN AGREEMENT, THE CONSTRUCTION OF ITS TERMS, AND THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES HERETO. EXCEPT AS SET FORTH BELOW, THE PARTIES HEREBY AGREE THAT ANY SUIT TO ENFORCE ANY PROVISION OF THIS AGREEMENT OR ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE BUSINESS RELATIONSHIP BETWEEN ANY OF THE PARTIES HERETO SHALL BE BROUGHT IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA OR THE SUPERIOR OR MUNICIPAL COURT IN AND FOR THE COUNTY OF SANTA CLARA, CALIFORNIA, U.S.A. EACH PARTY HEREBY AGREES THAT SUCH COURTS SHALL HAVE *IN PERSONAM* JURISDICTION AND VENUE WITH RESPECT TO SUCH PARTY, AND EACH PARTY HEREBY SUBMITS TO THE *IN PERSONAM* JURISDICTION AND VENUE OF SUCH COURTS. IN ADDITION TO THE FOREGOING JURISDICTION, LENDER,

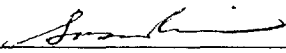
WITNESS the execution hereof under seal as of the day and year first above written.

LENDER

DEBTOR

WK TECHNOLOGY FUND

CYGNION CORPORATION

By: 

By: 

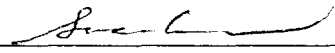
Printed Name: SUSAN LIN

Printed Name: Mats Persson

Its: v.p.

Its: President & CEO

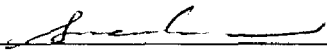
WK TECHNOLOGY FUND II

By: 

Printed Name: SUSAN LIN

Its: v.p.

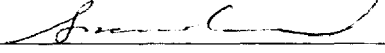
WK TECHNOLOGY FUND III

By: 

Printed Name: SUSAN LIN

Its: v.p.

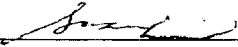
WK TECHNOLOGY FUND IV

By: 

Printed Name: SUSAN LIN

Its: v.p.

WK TECHNOLOGY FUND V

By: 

Printed Name: SUSAN LIN

Its: v.p.


WK TECHNOLOGY FUND VI

By: 

Printed Name: SUSAN LIN

Its: v.p.

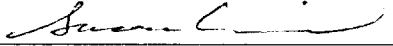
WK TECHNOLOGY FUND VII

By: 

Printed Name: SUSAN LIN

Its: v.p.

WK GLOBAL INVESTMENT LIMITED

By: 

Printed Name: SUSAN LIN

Its: v.p.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

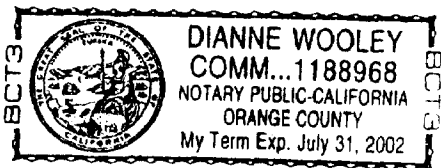
State of California

County of Orange

On August 8, 2000 before me, Dianne Wooley, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Mats Amund Persson
Name(s) of Signer(s)

personally known to me - **OR** - approved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Dianne Wooley
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Trademark Security Agreement

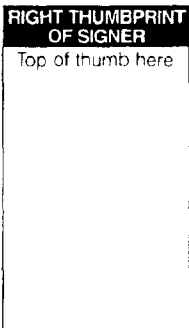
Document Date: 8-8-00 Number of Pages: 11

Signer(s) Other Than Named Above: Wk Technology Fund, Wk Tech. Fund II, III, IV, V, VI, VII & Wk Global Investment Fund

Capacity(ies) Claimed by Signer(s)

Signer's Name: Mats Amund Persson

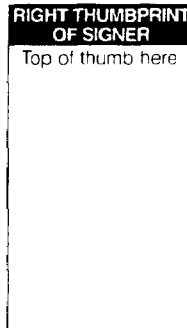
- Individual
- Corporate Officer
Title(s): Pres. CEO
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

Signer's Name: _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

EXHIBIT "A"

LENDERS

Name

Address

WK Technology Fund

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Technology Fund II

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Technology Fund III

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Technology Fund IV

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Technology Fund V

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Technology Fund VI

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Technology Fund VII

1257 Lakeside, #2233
Sunnyvale, CA 94086

WK Global Investment Limited

1257 Lakeside, #2233
Sunnyvale, CA 94086

EXHIBIT "B"

Trademark	Registration Number	Date Registered
CyberGenie	2,264,468	July 27, 1999

EXHIBIT "C"

EXCEPTIONS TO REPRESENTATIONS OF DEBTOR

1. Ericsson Trademark

Cygnion has a license for limited use of the Ericsson trademark. Cygnion does not have any ownership rights to the Ericsson trademark.

APPENDIX I

RECEIVING PARTIES

<i>Name</i>	<i>Address</i>	<i>Country of Incorporation</i>
WK Technology Fund II	1257 Lakeside, #2233 Sunnyvale, CA 94086	Taiwan, Republic of China
WK Technology Fund III	1257 Lakeside, #2233 Sunnyvale, CA 94086	Taiwan, Republic of China
WK Technology Fund IV	1257 Lakeside, #2233 Sunnyvale, CA 94086	Taiwan, Republic of China
WK Technology Fund V	1257 Lakeside, #2233 Sunnyvale, CA 94086	Taiwan, Republic of China
WK Technology Fund VI	1257 Lakeside, #2233 Sunnyvale, CA 94086	Taiwan, Republic of China
WK Technology Fund VII	1257 Lakeside, #2233 Sunnyvale, CA 94086	Taiwan, Republic of China
WK Global Investment Limited	1257 Lakeside, #2233 Sunnyvale, CA 94086	British Virgin Islands



WK TECHNOLOGY FUND III

By: Wen Chang Ko

Printed Name: Wen C. Ko

Its: Chairman

WK TECHNOLOGY FUND IV

By: Wen Chang Ko

Printed Name: Wen C. Ko

Its: Chairman

WK TECHNOLOGY FUND V

By: Wen Chang Ko

Printed Name: Wen C. Ko

Its: Chairman

WK TECHNOLOGY FUND VI

By: Wen Chang Ko

Printed Name: Wen C. Ko

Its: Chairman

WK TECHNOLOGY FUND VII

By: Wen Chang Ko

Printed Name: Wen C. Ko

Its: Chairman

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WK GLOBAL INVESTMENT LIMITED

By: Wen Changlo

Printed Name: Wen C. Ko

Its: Chairman

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