

12-05-2000



FORM PTO-1594
(Rev. 5-93)

101540025

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies):

ETERA CORPORATION

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: WASHINGTON

Other:

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

3. Nature of Conveyance:

Assignment

Merger

Security Agreement

Change of Name

Other

Execution Date: August 17, 2000

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

Name: IMPERIAL BANK

Address: 5330 Carillon Point

City: Kirkland State: WA Zip: 98033

Individual(s) 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 No

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

A. Trademark Application No.(s)

76/046,369

75/431,800

75/592,999

B. Trademark Registration No.(s)

2,273,173

1,789,959

2,290,285

Additional numbers attached? Yes No

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

Name: Evelyn G. Santiago

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

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.

Evelyn G. Santiago

Name of Person Signing

Signature

December 4, 2000

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

12/05/2000 DNGUYEN 00000195 76046369

01 FC:481
02 FC:482

40.00 OP
125.00 OP

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1090371-946700

TRADEMARK
REEL: 002186 FRAME: 0344

W.P.P. 12-5-00

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of August 17, 2000 by and between IMPERIAL BANK ("Bank") and ETERA CORPORATION a Washington corporation, as successor by merger to Etera, LLC, a Washington limited liability company ("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). 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.

B. 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 and under all other agreements now existing or hereafter arising between Grantor and Bank, 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.

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.

GRANTOR:

ETERA CORPORATION

Address of Grantor:

14113 River Bend Road
Mt. Vernon, WA 98273

Attn: Eric Peterson / Steven Geiger

By: 

Title: CFO / SECRETARY

BANK:

IMPERIAL BANK

Address of Bank:

5330 Carillon Point
Kirkland, WA 98033

Attn: JP Michael

By: 

Title: VP

EXHIBIT A

Copyrights

Description

Registration/
Application
Number

Registration/
Application
Date

Gray Cary\PA\10060967.1
1090371-900000

TRADEMARK
REEL: 002186 FRAME: 0347

EXHIBIT B

Patents

<u>Description</u>	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
Method of growing perennials	5,331,908	07/26/94
Systems and methods for providing product info via electronic communications	09/522,225	03/09/00

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Garden of the year (Design only)	76/046,369 2,273,173	05/10/00 08/24/99
Terra-plug	1,789,959	07/27/93
Etera (Design only)	2,290,285 75/431,800	11/02/99 02/10/98
Etera	75/592,999	11/20/98