

03-15-2001

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Docket No.:



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94003.0041

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3-15-01

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

1. Name of conveying party(ies):

Tenfold Corporation

- Individual(s)
- General Partnership
- Corporation-State **Delaware**
- Other

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

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

Name: **Bank One, Utah, National Association**

Internal Address: **Managed Assets - Mail Code AZ1-1283**

Street Address: **201 North Central Avenue**

City: **Phoenix** State: **AZ** ZIP: **85004**

- Individual(s) citizenship
- Association **national banking**
- 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  No

3. Nature of conveyance:

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

Execution Date: **February 23, 2001**

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

A. Trademark Application No.(s)

75/662,669    75/797,915    75/797,834  
 75/822,857    75/824,499    75/838,879  
 75/797,907    75/797,906    75/281,465

B. Trademark Registration No.(s)

2,273,313    2,379,745  
 2,298,482    2,296,650  
 2,395,694

Additional numbers attached?  Yes  No

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

Name: **Howard I. Sobelman**

Internal Address: **Snell & Wilmer L.L.P.**

Street Address: **One Arizona Center**

**400 E. Van Buren**

City: **Phoenix** State: **AZ** ZIP: **85004**

6. Total number of applications and registrations involved:.....

18

7. Total fee (37 CFR 3.41):.....\$ **465.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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.

**Howard I. Sobelman**

Name of Person Signing

Signature

3/14/01

Date

Total number of pages including cover sheet, attachments, and document: **17**

Additional Trademark Applications on which the attached Security Agreement is being recorded:

75/303,267

75/331,528

75/797,904

75/417,646

**SECOND MODIFICATION AGREEMENT  
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT**

(\$3,500,000.00 Term Loan, \$15,000,000.00 Revolving Line of Credit and  
\$6,173,596.42 Equipment Lease Financing)

This **SECOND MODIFICATION AGREEMENT TO INTELLECTUAL PROPERTY SECURITY AGREEMENT** ("Agreement") is made as of February 23, 2001, by and between **TENFOLD CORPORATION**, a Delaware corporation formerly known as KeyTex Corporation ("**Debtor**"), having its principal office at 180 West Election Road, Suite 100, Draper, Utah 84020, and **BANK ONE, UTAH, NATIONAL ASSOCIATION**, a national banking association ("**Secured Party**"), with an office at Bank One Center, 201 North Central Avenue, 3rd Floor, Managed Assets - Mail Code AZ1-1283, Phoenix, Arizona 85004.

RECITALS:

A. Secured Party previously extended to Debtor a revolving line of credit in the original maximum principal amount of Five Million and No/100 Dollars (\$5,000,000.00) (subsequently increased to \$15,000,000.00) (the "**RLC Loan**") pursuant to a Revolving Line of Credit Agreement, dated January 18, 1999 (as amended and modified from time to time, the "**RLC Loan Agreement**"), and evidenced by a Promissory Note, dated January 18, 1999 (as amended and modified from time to time, the "**RLC Note**"). The RLC Loan Agreement was subsequently modified pursuant to each of (i) that certain First Modification, dated December 29, 1999, (ii) that certain Second Modification, dated April 26, 2000, (iii) that certain Third Modification, dated as of September 7, 2000, and (iv) that certain Modification dated September 7, 2000 executed in connection with the issuance of the Letter of Credit (as defined below) dated June 26, 2000. The Note was subsequently amended by a Note Modification, dated December 29, 1999.

B. Pursuant to a Security Agreement, dated January 18, 1999, and Intellectual Property Security Agreement, dated January 18, 1999, as amended by that certain First Modification Agreement to Intellectual Property Security Agreement, dated January 6, 2000 (as amended from time to time, the "**IP Security Agreement**") (collectively, as amended from time to time, the "**RLC Security Agreements**"), Debtor has granted to Secured Party a present, continuing security interest in, lien upon and right of setoff against the assets and properties of Debtor to secure the RLC Loan, which lien and security interest has attached to such assets and properties and has been perfected by the filing of certain Uniform Commercial Code Financing Statements and the recordation of the Intellectual Property Security Agreement, as amended, in the records of the United States Patent and Trademark Office on January 17, 2001, reel/frame 002176/0349 and 011239/0440. The schedules to the Intellectual Property Security Agreement describing the collateral subject thereto are attached hereto as **Exhibit A** and incorporated herein.

C. Pursuant to the terms of the RLC Loan, Debtor applied for and Secured Party issued three irrevocable standby letters of credit in the aggregate stated amount of \$5,547,425.00 (collectively, as amended from time to time, the "**Letters of Credit**") pursuant to the terms of the RLC Loan Agreement and their respective Application and Agreement for Irrevocable Standby Letter of Credit (collectively, as more particularly described below and as amended from time to time, the "**Letter of Credit Agreements**"). The Letters of Credit include the following: (i) that certain Letter of Credit issued pursuant to a Letter of Credit Agreement dated April 25, 2000 in the stated amount of \$3,000,000.000 to EOP-150 California Street, L.L.C., as beneficiary, (ii) that certain Letter of Credit issued pursuant to a Letter of Credit Agreement dated September 7, 2000 in the stated amount of \$2,000,000.00 to American Home Assurance Company, as beneficiary, and (iii) that certain Letter of Credit issued pursuant to a Letter of Credit Agreement dated June 26, 2000, in the stated amount of \$547,425.00 to 200 South Wacker Drive LLC, as beneficiary, as modified by that certain Modification Agreement, dated September 7, 2000.

D. The RLC Loan Agreement, RLC Note, RLC Security Agreements, Letter of Credit Agreements, all Uniform Commercial Code Financing Statements and all other agreements, documents, and

instruments governing, evidencing, securing, or otherwise relating to the RLC Loan, are sometimes referred to herein individually and collectively as the "RLC Loan Documents."

E. Secured Party also previously extended to Debtor a term loan in the maximum principal amount of Two Million Four Hundred Thousand and No/100 Dollars (\$2,400,000.00) ("**Term Loan**") pursuant to a Term Loan Agreement, dated April 26, 2000 (as amended and modified from time to time, the "**Term Loan Agreement**"), and evidenced by a Promissory Note, dated April 26, 2000 (as amended and modified from time to time, the "**Term Note**"). The Term Loan is secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement (Tenfold Corporation), dated April 26, 2000 (as amended from time to time, the "**Term Deed of Trust**"), as recorded in the real property records of Marin County, California on April 28, 2000 as Instrument No 2000-0021881, which Term Deed of Trust constitutes a first priority lien on that certain real property located in San Rafael, Marin County, California and more particularly described in Exhibit A to the Term Deed of Trust ("**Term Loan Property**").

F. The Term Loan Agreement, the Term Note, the Term Deed of Trust, all Uniform Commercial Code Financing Statements and all other agreements, documents, and instruments governing, evidencing, securing, or otherwise relating to the Term Loan, are sometimes referred to herein individually and collectively as the "**Term Loan Documents**".

G. Banc One Leasing Corporation, an affiliate of Secured Party ("**BOLC**"), has extended certain equipment lease financing to Debtor in the original aggregate amount of approximately Six Million One Hundred Seventy-Three Thousand Five Hundred Ninety-Six and 42/100 Dollars (\$6,173,596.42), pursuant to that certain Master Lease Agreement, dated November 23, 1998, and certain lease schedules issued pursuant thereto with respect to the lease of specific equipment, as such lease schedules are more particularly described and set forth on Exhibit B to the Modification and Waiver Agreement (as defined below) (collectively, as amended from time to time, the "**Equipment Leases**"). The Debtor's obligations under the Equipment Leases are secured by that certain Security Agreement, dated November 23, 1998 (as amended from time to time, the "**Equipment Lease Security Agreement**").

H. The Master Lease Agreement, the Equipment Lease Security Agreement, the Equipment Leases and all other documents or instruments evidencing, governing, securing or otherwise relating to the Equipment Leases, are referred to herein as the "**Equipment Lease Documents**."

I. The RLC Loan Documents, the Term Loan Documents, the Equipment Lease Documents, the Letter of Credit Agreements, and all other documents and instruments governing, evidencing, securing or otherwise related to the RLC Loan, Term Loan, Letters of Credit or Equipment Leases, as modified herein or in the Modification and Waiver Agreement described below, are referred to herein as the "**Loan Documents**." The RLC Loan, the Term Loan, the Equipment Leases, the Letters of Credit and all other credit or financing facilities extended by Secured Party, BOLC or an affiliate of Secured Party or BOLC, to Debtor, are referred to herein collectively as the "**Loans**."

J. Pursuant to that certain Modification and Forbearance Agreement of even date herewith ("**Modification and Forbearance Agreement**"), by and between Debtor, BOLC and Secured Party, Debtor has now agreed to (i) provide additional collateral in an amount of up to \$3,500,000.00 to Secured Party for the benefit of Secured Party and BOLC as collateral security for the obligations of Debtor under each of the Loan Documents, and (ii) that such additional collateral, together with all existing collateral securing any of Debtor's obligations under any of the Loan Documents, shall cross-collateralize and secure all of such obligations of Debtor.

K. Secured Party and Debtor now desire to enter into this Agreement in accordance with the terms of the Modification and Waiver Agreement to effectuate the foregoing.

NOW THEREFORE, in consideration of the covenants contained herein, and the covenants and agreements contained in the Modification and Waiver Agreement, and other good and valuable consideration, the parties hereto amend and modify the IP Security Agreement as follows:

1. Each of the foregoing Recitals is hereby incorporated herein and made a part hereof. Debtor acknowledges the accuracy of such Recitals.

2. Section 3 of IP Security Agreement is hereby modified and amended to provide that the definition of "Obligations" shall include all indebtedness evidenced by, together with all duties, obligations, covenants and agreements of Debtor under, each of the Loan Documents, including, without limitation, the Letter of Credit Agreements. It is the express intention that all collateral pledged pursuant to the IP Security Agreement shall act as collateral security, pursuant to Section 2 of the IP Security Agreement and the other applicable provisions thereof, for each of the Loan Documents, including, without limitation, the Letter of Credit Agreements. Debtor acknowledges that the security interest created under the IP Security Agreement as amended herein, shall inure to the benefit of BOLC in addition to Secured Party and shall not be released until all of Debtor's obligations under all of the Loan Documents, including, without limitation, the Letter of Credit Agreements, have been paid and performed in full.


4. All provisions of the IP Security Agreement not inconsistent with the provisions of paragraph 2 hereof shall be and remain the same as set forth in therein.

5. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah, without giving effect to conflicts of law principles.

6. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on February 23, 2001 to be effective as of the date first written above.

**TENFOLD CORPORATION**  
a Delaware corporation

By:   
Name: Martin F. Petersen  
Title: Chief Financial Officer

"Debtor"

**BANK ONE, UTAH, NATIONAL ASSOCIATION**  
a national banking association

By: \_\_\_\_\_  
Name: Bonnie Wilson  
Title: First Vice President

"Secured Party"

NOW THEREFORE, in consideration of the covenants contained herein, and the covenants and agreements contained in the Modification and Waiver Agreement, and other good and valuable consideration, the parties hereto amend and modify the IP Security Agreement as follows:

1. Each of the foregoing Recitals is hereby incorporated herein and made a part hereof. Debtor acknowledges the accuracy of such Recitals.

2. Section 3 of IP Security Agreement is hereby modified and amended to provide that the definition of "Obligations" shall include all indebtedness evidenced by, together with all duties, obligations, covenants and agreements of Debtor under, each of the Loan Documents, including, without limitation, the Letter of Credit Agreements. It is the express intention that all collateral pledged pursuant to the IP Security Agreement shall act as collateral security, pursuant to Section 2 of the IP Security Agreement and the other applicable provisions thereof, for each of the Loan Documents, including, without limitation, the Letter of Credit Agreements. Debtor acknowledges that the security interest created under the IP Security Agreement as amended herein, shall inure to the benefit of BOLC in addition to Secured Party and shall not be released until all of Debtor's obligations under all of the Loan Documents, including, without limitation, the Letter of Credit Agreements, have been paid and performed in full.

4. All provisions of the IP Security Agreement not inconsistent with the provisions of paragraph 2 hereof shall be and remain the same as set forth in therein.

5. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah, without giving effect to conflicts of law principles.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on February 23, 2001 to be effective as of the date first written above.

**TENFOLD CORPORATION**  
a Delaware corporation

By: \_\_\_\_\_  
Name: Martin F. Petersen  
Title: Chief Financial Officer

"Debtor"

**BANK ONE, UTAH, NATIONAL ASSOCIATION**  
a national banking association

By:   
Name: Bonnie Wilson  
Title: First Vice President

"Secured Party"

STATE OF UTAH )  
 :ss.  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 23 day of February, 2001, by Martin F. Petersen, the Chief Financial Officer of TENFOLD CORPORATION, a Delaware corporation, on behalf of the corporation.

[seal]

  
\_\_\_\_\_  
NOTARY PUBLIC

STATE OF ARIZONA )  
 : ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of February, 2001, Bonnie Wilson, a First Vice President of Bank One, Utah, National Association, a national banking association, on behalf of the association.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC  
Residing at \_\_\_\_\_

STATE OF UTAH )  
 :ss.  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of February, 2001, by Martin F. Petersen, the Chief Financial Officer of TENFOLD CORPORATION, a Delaware corporation, on behalf of the corporation.

[seal]

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF ARIZONA )  
 : ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of February, 2001, Bonnie Wilson, a First Vice President of Bank One, Utah, National Association, a national banking association, on behalf of the association.

My Commission Expires:

7/30/02

Celia D. Edwards  
NOTARY PUBLIC  
Residing at \_\_\_\_\_

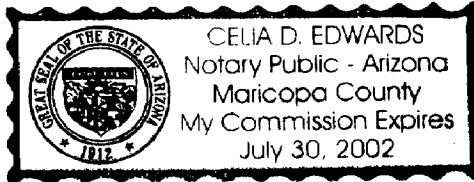




EXHIBIT A

SCHEDULES TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

Exhibit "A" attached to that certain Second Modification and Restatement of Intellectual Property Security Agreement dated January 18, 1999.

EXHIBIT "A"  
COPYRIGHTS

SCHEDULE A - ISSUED COPYRIGHTS

<u>COPYRIGHT DESCRIPTION</u>	<u>REGISTRATION NUMBER</u>	<u>DATE OF ISSUANCE</u>
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SCHEDULE B- PENDING COPYRIGHT APPLICATIONS

<u>COPYRIGHT DESCRIPTION</u>	<u>APPLICATION NUMBER</u>	<u>DATE OF FILING</u>	<u>DATE OF CREATION</u>	<u>FIRST DATE OF PUBLIC DISTRIBUTION</u>
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SCHEDULE C - UNREGISTERED COPYRIGHTS (Where No Copyright Application is Pending)

<u>COPYRIGHT</u> <u>DESCRIPTION</u>	<u>DATE OF</u> <u>CREATION</u>	<u>FIRST DATE</u> <u>OF</u> <u>DISTRIBUTION</u>	<u>ORIGINAL</u> <u>AUTHOR OR</u> <u>OWNER OF</u> <u>COPYRIGHT</u> <u>(IF DIFFERENT</u> <u>FROM DEBTOR</u>	<u>DATE AND</u> <u>RECORDATION</u> <u>NUMBER OF</u> <u>IP AGREEMENT TO</u> <u>OWNER OF</u> <u>DEBTOR (IF</u> <u>ORIGINAL AUTHOR</u> <u>OR OWNER OF</u> <u>COPYRIGHT IS</u> <u>DIFFERENT FROM</u> <u>DEBTOR</u>
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EXHIBIT "B"

PATENTS

<u>PATENT DESCRIPTION</u>	<u>DOCKET NO.</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>FILING DATE</u>	<u>STATUS</u>
Tenfold Omnibus ("Jumbo") Patent	14302.1	United States	08\932255	09/17/97	Pending
Tenfold Omnibus ("Jumbo") Patent	14302.1a	PCT	08\932255	09/15/98	Pending
Tenfold AutoTest Patent #1	14302.14	United States	09\111049	07/08/98	Pending
Tenfold AutoTest Patent #2	N/A	United States	N/A	N/A	In Process
Tenfold Interpreter Patent	N/A	United States	N/A	N/A	In Process
Tenfold Reporter Patent	N/A	United States	N/A	N/A	In Process

EXHIBIT "C"

TRADEMARKS/SERVICE MARKS

<u>MARK DESCRIPTION</u>	<u>JURISDICTION</u>	<u>APPLICATION/SERIAL NUMBER</u>	<u>REG. NO.</u>	<u>STATUS</u>
3-D 10 Design	United States	75/662,669	N/A	Pending
Application Xpress	United States	75/822,857	N/A	Pending
Billing Now!	United States	75/797,907	N/A	Pending
DESIGN 10	United States	75/281,463	2,273,313	Registered
Energy Now!	United States	75/797,915	N/A	Pending
Logic Xpress	United States	75/824,499	N/A	Pending
Logistics Now!	United States	75/797,906	N/A	Allowed
Price Now!	United States	75/797,834	N/A	Allowed
TENFOLD	United States	75/204,970	2,298,482	Registered
Tenfold Commercial Lines Manager	United States	75/823,324	2,395,694	Registered
Tenfold Energy Data Manager	United States	75/838,124	2,379,745	Registered
Tenfold Fast Start	United States	75/838,879	N/A	Pending
TENFOLD REVENUE MANAGER	United States	75/371,993	2,296,650	Registered
TENFOLD.COM	United States	75/281,465	N/A	Allowed
THE POWER OF TEN	United States	75/303,267	N/A	Allowed
THE TENFOLD WAY	United States	75/331,528	N/A	Allowed
Trade Now!	United States	75/797,904	N/A	Pending

<u>MARK DESCRIPTION</u>	<u>JURISDICTION</u>	<u>APPLICATION/SERIAL NUMBER</u>	<u>REG. NO.</u>	<u>STATUS</u>
UNIVERSAL APPLICATION	United States	75/417,646	N/A	Pending
10 Device	Canada	1,020756	N/A	Pending
Application Xpress	Canada	1,054,620	N/A	Pending
AUTOTEST	Canada	1,054,619	N/A	Pending
Billing Now!	Canada	1,048,113	N/A	Pending
eCritical	Canada	1,048,117	N/A	Pending
Energy Now!	Canada	1,046,569	N/A	Pending
Logic Xpress	Canada	1,051,473	N/A	Pending
Logistics Now!	Canada	1,048,114	N/A	Pending
MISC DESIGN TENFOLD	Canada	876,736	N/A	Allowed
Price Now!	Canada	1,048,116	N/A	Pending
TENFOLD	Canada	851,020	TMA532,384	Registered
TenFold Commercial Lines Manager	Canada	1,051,471	N/A	Pending
Tenfold Energy Data Manager	Canada	1,057,011	N/A	Pending
Tenfold Fast Start	Canada	1,054,444	N/A	Pending
TENFOLD REVENUE MANAGER	Canada	875,117	N/A	Allowed
TENFOLD.COM	Canada	875,288	N/A	Pending
THE POWER OF TEN	Canada	875,289	N/A	Pending
THE TENFOLD WAY	Canada	867,795	N/A	Allowed
Trade Now!	Canada	1,048,115	N/A	Pending

<u>MARK DESCRIPTION</u>	<u>JURISDICTION</u>	<u>APPLICATION/ SERIAL NUMBER</u>	<u>REG. NO.</u>	<u>STATUS</u>
UNIVERSAL APPLICATION	Canada	883,731	N/A	Pending
TENFOLD	China	970,092,903	1217846	Registered
10 Device	European Union	001218866	N/A	Pending
Application Xpress	European Union	001620111	N/A	Pending
AUTOTEST	European Union	001601129	N/A	Pending
Billing Now!	European Union	001501899	N/A	Pending
eCritical	European Union	001494764	N/A	Pending
Energy Now!	European Union	001503812	N/A	Pending
Logic Xpress	European Union	001561471	N/A	Pending
Logistics Now!	European Union	001511526	N/A	Pending
MISC DESIGN TENFOLD EUROPE	European Union	619,114	N/A	Pending
Price Now!	European Union	001510320	N/A	Pending
TENFOLD	European Union	572289	000572289	Registered
Tenfold Energy Data Manager	European Union	001629864	N/A	Pending
Tenfold Fast Start	European Union	001593706	N/A	Pending
TENFOLD REVENUE MANAGER	European Union	775,935	000775932	Registered
TENFOLD.COM	European Union	601989	000601989	Registered
THE POWER OF TEN	European Union	672,881	000672881	Registered
THE TENFOLD WAY	European Union	729210	729210	Registered
Trade Now!	European Union	001509538	N/A	Pending



MARK  
DESCRIPTION

JURISDICTION

APPLICATION/  
SERIAL NUMBER

REG. NO.

STATUS

UNIVERSAL  
APPLICATION

European Union

854,539

N/A

Pending