

04-11-2001



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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

FORM PTO-1594
(Rev 5-93)

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

<p>1. Name of conveying party(ies): COM21, INC.</p> <p>Individual(s) citizenship: Association: General Partnership: Limited Partnership: Corporation - State: DELAWARE Other:</p> <p>Additional name(s) of conveying party(ies) attached? [] Yes [X] No</p> <p>3. Nature of Conveyance: [] Assignment [] Merger [X] Security Agreement [] Change of Name [] Other</p> <p>Execution Date: March 14, 2001</p>	<p>2. Name and address of receiving party(ies): Name: COMERICA BANK-CALIFORNIA Address: 75 E. TRIMBLE ROAD City: SAN JOSE: CA Zip: 95131</p> <p>Individual(s) citizenship: Association: General Partnership: Limited Partnership: Corporation - State: Other:</p> <p>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)</p> <p>Additional name(s) & address(es) attached? [] Yes [x] No</p>
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ASSIGNMENT
2001/07/11
REC'D

4. Application number(s) or trademark number(s):																						
<p>A. Trademark Application No.(s)</p> <table border="0"> <tr><td>76/079,957</td><td>75/632,984</td><td>76/079,180</td></tr> <tr><td>75/632,986</td><td>75/632,983</td><td>76/079,179</td></tr> <tr><td>75/632,997</td><td>75/632,987</td><td>75/632,996</td></tr> <tr><td>75/663,868</td><td>75/647,475</td><td>75/647,474</td></tr> </table>	76/079,957	75/632,984	76/079,180	75/632,986	75/632,983	76/079,179	75/632,997	75/632,987	75/632,996	75/663,868	75/647,475	75/647,474	<p>B. Trademark Registration No.(s)</p> <table border="0"> <tr><td>2,114,480</td><td>2,122,035</td><td>2,037,355</td></tr> <tr><td>2,359,983</td><td>2,210,918</td><td>2,401,400</td></tr> <tr><td>2,384,958</td><td></td><td></td></tr> </table>	2,114,480	2,122,035	2,037,355	2,359,983	2,210,918	2,401,400	2,384,958		
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75/632,997	75/632,987	75/632,996																				
75/663,868	75/647,475	75/647,474																				
2,114,480	2,122,035	2,037,355																				
2,359,983	2,210,918	2,401,400																				
2,384,958																						
Additional numbers attached? [] Yes [] No																						

<p>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</p>	<p>6 Total number of applications and registrations involved: 19</p> <hr/> <p>7. Total fee (37 CFR 3.41) \$ 490.00 [x] Enclosed [] Authorized to be charged to deposit account</p> <hr/> <p>8. Deposit account number: _____ (Attach duplicate copy of this page if paying by deposit account)</p>
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01 FC:481 40.00 OP
02 FC:482 450.00 OP

DO NOT USE THIS SPACE 490E

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 April 10, 2001
Name of Person Signing Signature Date

Total number of pages comprising cover sheet: [9]

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

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (the "Agreement") is made as of 14th Day of March, 2001, by and between COM21, INC., a Delaware Corporation ("Grantor"), and COMERICA BANK-CALIFORNIA, ("Secured Party").

RECITALS

A. Secured Party has agreed to lend to Grantor, certain funds (the "Loan"), and Grantor desires to borrow such funds from Secured Party pursuant to the terms of a Revolving Credit and Security Agreement, dated December 1, 2000 herewith, (the "Loan Documents"). All capitalized terms used herein without definition shall have the meanings ascribed to them in the Loan Documents.

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

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Grantor's present or future indebtedness, obligations and liabilities to Secured Party, Grantor hereby grants a security interest and mortgage to Secured Party, as security, in and to Grantor'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 applications, 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, acquired or held;

(c) Any and all design rights which may be available to Grantor 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 servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor 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 to the extent permitted by such license or rights; and

(h) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks or Patents; and

(i) 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.

2. Authorization and Request. Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this security agreement.

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

(a) Grantor is now the sole owner of the Collateral, except for non-exclusive licenses granted by Grantor to its customers in the ordinary course of business;

(b) Performance of this Agreement does not conflict with or result in a breach of any agreement to which Grantor is party or by which Grantor is bound, except to the extent that certain intellectual property agreements prohibit the assignment of the rights thereunder to a third party without the licensor's or other party's consent and this Agreement constitutes an assignment;

(c) During the term of this Agreement, Grantor will not transfer or otherwise encumber any interest in the Collateral, except for non-exclusive licenses granted by Grantor in the ordinary course of business, or as set forth in this Agreement;

(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) Grantor shall deliver to Secured Party within thirty (30) days of the last day of each fiscal quarter, a report signed by Grantor, in form reasonably acceptable to Secured Party, listing any applications or registrations that Grantor has made or filed in respect of any patents, copyrights or trademarks and the status of any outstanding applications or registrations. Grantor shall promptly advise Secured Party of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Grantor in or to any Trademark, Patent or Copyright not specified in this Agreement;

(f) Grantor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (ii) use commercially reasonable efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Secured Party 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 Secured Party, which shall not be unreasonably withheld, unless Grantor determines that reasonable business practices suggest that abandonment is appropriate;

(g) Grantor shall register or cause to be registered (to the extent not already registered) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, those intellectual property rights listed on Exhibits A, B and C hereto within thirty (30) days of the date of this Agreement. Grantor shall register or cause to be registered with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, those additional intellectual property rights developed or acquired by Grantor from time to time in connection with any product prior to the sale or licensing of such product to any third party (including without limitation revisions or additions to the intellectual property rights listed on such Exhibits A, B and C). Grantor shall, from time to time, execute and file such other instruments, and take such further actions as Secured Party may reasonably request from time to time to perfect or continue the perfection of Secured Party's interest in the Collateral.

(h) This Agreement creates, and in the case of after acquired Collateral, this Agreement will create at the time Grantor first has rights in such after acquired Collateral, in favor of Secured Party 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 Loan Documents 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 and Trademarks and the Register of Copyrights with respect to the Copyrights necessary to perfect the security interests 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 U.S. governmental authority or U.S. regulatory body is required either (i) for the grant by Grantor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Grantor in the U.S. or (ii) for the perfection in the United States or the exercise by Secured Party of its rights and remedies hereunder;

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

(k) Grantor shall not enter into any agreement that would materially impair or conflict with Grantor's obligations hereunder without Secured Party's prior written consent, which consent shall not be unreasonably withheld. Grantor shall not permit the inclusion in any material contract to which it becomes a party of any provisions that could or might in any way prevent the creation of a security interest in Grantor's rights and interests in any property included within the definition of the Collateral acquired under such contracts, except that certain contracts may contain anti-assignment provisions that could in effect prohibit the creation of a security interest in such contracts if Grantor is required, in its commercially reasonable judgment to accept such provisions; and

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

4. Secured Party's Rights. Secured Party shall have the right, but not the obligation, to take, at Grantor's sole expense, any actions that Grantor is required under this Agreement to take but which Grantor fails to take, after fifteen (15) days' notice to Grantor. Grantor shall reimburse and indemnify Secured Party for all reasonable costs and expenses incurred in the reasonable exercise of its rights under this section 4.

5. Inspection Rights. Grantor hereby grants to Secured Party and its employees, representatives and agents the right to visit, during reasonable hours upon prior reasonable written notice to Grantor, any of Grantor's plants and facilities that manufacture, install or store products (or that have done so during the prior six-month period)

that are sold utilizing any of the Collateral, and to inspect the products and quality control records relating thereto upon reasonable notice to Grantor and as often as may be reasonably requested.

6. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Grantor will 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 the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Secured Party, to perfect Secured Party's security interest in all Copyrights, Patents and Trademarks and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to Secured Party the grant or perfection of a security interest in all Collateral.

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

(i) To modify, in its sole discretion, this Agreement without first obtaining Grantor's approval of or signature to such modification by amending Exhibit A, Exhibit B and Exhibit C, hereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Grantor no longer has or claims any right, title or interest;

(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 Grantor where permitted by law; and

(iii) After the occurrence of an Event of Default, to transfer the Collateral into the name of Secured Party or a third party to the extent permitted under the California Uniform Commercial Code.

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

(a) An Event of Default occurs under the Loan Documents; or

(b) Grantor breaches any warranty or agreement made by Grantor in this Agreement and, as to any breach that is capable of cure, Grantor fails to cure such breach within ten (10) business days of the occurrence of such breach.

8. Remedies. Upon the occurrence of an Event of Default, Secured Party 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 Grantor to assemble the Collateral and any tangible property in which Secured Party has a security interest and to make it available to Secured Party at a place designated by Secured Party. Secured Party shall have a nonexclusive, royalty free license to use the Copyrights, Patents and Trademarks to the extent reasonably necessary to permit Secured Party to exercise its rights and remedies upon the occurrence of an Event of Default. Grantor will pay any expenses (including attorneys' fees) incurred by Secured Party in connection with the exercise of any of Secured Party's rights hereunder, including without limitation any expense incurred in disposing of the Collateral. All of Secured Party's rights and remedies with respect to the Collateral shall be cumulative.

9. Indemnity. Grantor agrees to defend, indemnify and hold harmless Secured Party 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 Secured Party as a result of or in any way arising out of, following or consequential to transactions between Secured Party and Grantor, whether under this Agreement or otherwise (including without limitation attorneys fees and expenses), except for losses arising from or out of Secured Party's gross negligence or willful misconduct.

10. 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.

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

12. Amendments. This Agreement may be amended only by a written instrument signed by both parties hereto.

13. Counterparts. This Agreement 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.

14. California Law and Jurisdiction; Jury Waiver. This Agreement shall be governed by the laws of the State of California, without regard for choice of law provisions. Grantor and Secured Party consent to the exclusive jurisdiction of any state or federal court located in Santa Clara County, California. GRANTOR AND SECURED PARTY EACH WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF

ACTION BASED UPON OR ARISING OUT OF THE LOAN DOCUMENTS, THIS AGREEMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

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

Address of Grantor:

750 Tasman Drive
Milpitas, CA 95035

GRANTOR:

Com21, Inc.

By: 

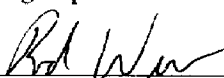
Title: CEO, VP Finance

Address of Secured Party:

75 E. Trimble Road
San Jose, CA. 95131

SECURED PARTY:

Comerica Bank-California, a California
Banking corporation

By: 

Title: VP

EXHIBIT A

List of Copyrights

<u>Name</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Author</u>	<u>Owner</u>
NMAPS3.	TX4566628	June 27, 1997	Com21, Inc.	Com21, Inc.

EXHIBIT B**List of Patents**

<u>Patent No.:</u>	<u>Issued:</u>	<u>Inventor:</u>	<u>Assignee:</u>	<u>Appl. No.:</u>	<u>Filed:</u>
5,421,030	May 30, 1995	Baran, Paul, Atherton, CA	Com21, Inc	7-761,281	September 17, 1991
5,341,415	August 23, 1994	Baran, Paul, 83 James Ave., Atherton, CA	Com21, Inc.	7-949,424	September 22, 1992
5,544,164	August 6, 1996	Baran, Paul, Atherton, CA	Com21, Inc.	8-336,325	November 8, 1994
5,425,027	June 13, 1995	Baran, Paul Atherton, CA	Com21, Inc.	8-373	January 4, 1993
5,870,395	February 9, 1999	Baran, Paul, Atherton, CA	Com21, Incorporated	8-877,906	June 18, 1997
5,550,820	August 27, 1996	Baran, Paul, Atherton, CA	Com21, Inc.	8-323,341	October 14, 1994
5,926,479	July 20, 1999	Baran, Paul, Atherton, CA	Com21, Inc.	8-843,111	April 24, 1997
5,917,822	June 29, 1999	Lyles, Joseph Baran, Mountain View, CA Laubach, Mark E. Mountain View, CA., Quinn, Scott M., San Francisco, CA	Com21, Inc.	8-631,507	April 12, 1996
6,028,860	February 22, 2000	Laubach, Mark E., Mountain View, CA., Helton, Sanford L., San Jose, CA., Raissinia, Alireza, Monte Serino, CA., Gordon, Paul A. Santa Clara, CA Sabin, Michael J. Sunnyvale, CA Thaker, Malay M., Campbell, CA Nichols, Kathleen M., Woodside, CA	Com21, Inc.	8-731,958	October 23, 1996
5,870,134	February 9, 1999	Laubach, Mark, Mountain View, CA Baran, Paul, Atherton, CA	Com21, Inc.	8-810,407	March 4, 1997
6,075,972	June 13, 2000	Laubach, Mark, Mountain View, CA Baran, Paul, Atherton, CA	Com21, Inc.	9-130,842	August 7, 1998
6,081,533	June 27, 2000	Laubach, Mark Mountain View, CA Baran, Paul, Atherton, CA Raissinia, Ali, Monte Sereno, CA Gorman, Kenneth, Danville, CA Helton, Sanford, San Jose, CA	Com21, Inc.	8-881,942	June 25, 1997

EXHIBIT B
CONTINUATION

List of Patents

<u>Patent No.:</u>	<u>Issued:</u>	<u>Inventor:</u>	<u>Assignee:</u>	<u>Appl. No.:</u>	<u>Filed:</u>
6,137,793	October 23, 2000	Gorman, Kenneth, Danville, CA Laubach, Mark E. Mountain View, CA., Raissinia, Ali, Monte Sereno, CA	Com21, Inc.	8-985,571	December 5, 1997
6,049,693	April 11, 2000	Baran, Paul, Atherton, CA Bunya, George K. Morgan Hill, CA Heinzmann, F. Jud, Los Altos, CA Hollimon, Marshall H., Cupertino, CA	Com21, Inc.	8-892,090	July 14, 1997
6,094,211	July 25, 2000	Baran, Paul, Atherton, CA Bunya, George K., Morgan Hill, CA Hollimon, Marshall H., Cupertino, CA Heinzmann, F. Jud, Los Altos, CA	Com21, Inc.	8-699,888	August 15, 1996

EXHIBIT C

List of Trademarks

<u>Trademark:</u>	<u>Registered No.:</u>	<u>Registration Date:</u>	<u>Serial No.:</u>	<u>Status:</u>	<u>Original Applicant:</u>
Comport	2,114,480	November 18, 1997	74-663,376	Registered	Com21, Inc.
Community Access	2,122,035	December 16, 1997	74-663,377	Registered	Com21, Inc.
Com21	2,037,355	February 11, 1997	74-241,936	Registered	Com21(Owner @ publication Com21, Inc.)
Com21 and Design	2,359,983	June 20, 2000	75-724,751	Registered	Com21, Inc.
Comcontroller	2,210,918	December 15, 1998	75-378,071	Registered	Com21, Inc.
Doxport	2,401,400	November 7, 2000	75-632,994	Registered	Com21, Inc.
Instantpurchase	2,384,958	September 12, 2000	75-647,185	Registered	Com21, Inc.

List of Trademarks
PENDING

<u>Trademark:</u>	<u>Serial No.:</u>	<u>Original Applicant:</u>	<u>Status:</u>
Com21	76-079,957	Com21, Inc.	Pending
Doxcontroller	75-632,984	Com 21, Inc.	Pending
Doxdiscovery	76-079,180	Com21, Inc.	Pending
Doxmanager	75-632,986	Com21, Inc.	Pending
Doxoffice	75-632,983	Com21, Inc.	Pending
Doxpath	76-079,179	Com21, Inc.	Pending
Doxphone	75-632,997	Com21, Inc.	Pending
Doxsecurity	75-632,987	Com21, Inc.	Pending
Doxsystem	75-632,996	Com21, Inc.	Pending
Imagine The Internet Without The Watt	75-663,868	Com21, Inc.	Pending
Instantnet	75-647,475	Com21, Inc.	Pending
Design Only	75-647,474	Com21, Inc.	Pending