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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

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

1. Name of conveying party(ies): Sand Hill Capital II, LP, as secured party conducting a public foreclosure sale of the assets of debtor, Paraform, Inc. [ ] Individual(s) [ ] Association [ ] General Partnership [X] Limited Partnership [ ] Corporation-State [ ] Other Additional name(s) of conveying party(ies) attached? [ ] Yes [X] No

3. Nature of conveyance: [ ] Assignment [ ] Merger [ ] Security Agreement [ ] Change of Name [X] Other Bill of Sale and Transfer Statement Execution Date: June 25, 2001

2. Name and address of receiving party(ies) Name: Sand Hill Capital II, LP Internal Address: 3000 Sand Hill Road, Street Address: Building 2, Suite 110 City: Menlo Park State: CA Zip: 94025 [ ] Individual(s) citizenship [ ] Association [ ] General Partnership [X] Limited Partnership Delaware [ ] Corporation-State [ ] Other If assignee is not domiciled in the United States, a domestic representative designation is attached: [ ] Yes [X] No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? [ ] Yes [X] No

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s) 2,358,265 Additional number(s) attached [ ] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Levy, Small & Lallas Internal Address: Attn: Sebastian Camua Street Address: 815 Moraga Drive City: Los Angeles State: CA Zip: 90049

6. Total number of applications and registrations involved: 1 7. Total fee (37 CFR 3.41): \$4000 [ ] 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. Sebastian Camua Signature Date 07/26/01

Total number of pages including cover sheet, attachments, and document: 9

08/03/2001 DBYRNE 00000169 2358265 40.00 OP 01 FC:401

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002339 FRAME: 0746

## BILL OF SALE AND TRANSFER STATEMENT

This BILL OF SALE AND TRANSFER STATEMENT (this "Bill of Sale") is entered into as of June 25, 2001, by and between Sand Hill Capital II, LP ("Secured Party"), with a mailing address of 3000 Sand Hill Road, Building 2, Suite 110, Menlo Park, California 94025, and Sand Hill Capital II, LP ("Buyer"), with a mailing address of 3000 Sand Hill Road, Building 2, Suite 110, Menlo Park, California 94025, with reference to the following facts:

A. Sand Hill Capital II, LP ("Secured Party") and Paraform, Inc. ("Debtor"), whose mailing address is 3052 Bunker Hill Lane, Suite 200, Santa Clara, California 95054, are parties to the following agreements (collectively, the "Loan Documents"): (a) Loan Agreement, dated August 28, 2000 (as amended, restated, supplemented, or modified from time to time, the "Loan Agreement"), (b) Intellectual Property Security Agreement, dated August 28, 2000 (and recorded with the United States Copyright Office on September 11, 2000 at Volume 3457, Page 599, with the United States Patent and Trademark Office on September 8, 2000 with respect to Patent-related Collateral at Reel 011074 Frame 0671, and with the United States Patent and Trademark Office with respect to Trademark-related Collateral at Reel 002141 Frame 0689), and (c) related documents executed in connection therewith. Pursuant to the Loan Documents, Debtor granted to Secured Party security interests in all right, title and interest of Debtor in and to assets and property described on Exhibit A hereto (the "Collateral") as security for Debtor's obligations under the Loan Documents.

B. Debtor defaulted on its obligations under the Loan Documents and Secured Party exercised its post-default rights and remedies under the terms of the Loan Documents, the California Commercial Code and other applicable laws to sell the Collateral. By reason of such exercise, Buyer has acquired the below-described Sale Assets.

C. On June 25, 2001 at 10:00 a.m. at the offices of Secured Party located at 3000 Sand Hill Road, Building 2, Suite 110, Menlo Park, California 94025, Secured Party held a public sale of the Collateral conducted pursuant to the Loan Documents, the California Commercial Code and other applicable laws. At such sale, Secured Party accepted Buyer's bid of \$1,000,000 (which bid was made by Sand Hill Capital Special Purposes, LLC, as agent for Buyer) for, and Buyer thereby purchased and acquired, all of the Collateral other than the Excluded Assets (as defined below) (such portion of the Collateral so purchased and acquired, the "Sale Assets"). As used herein, the term "Excluded Assets" means, collectively, all of Debtor's right, title, and interest in, to, and under: (I) the equipment and related software leased and licensed by Sun Microsystems Finance to Debtor, which are described in the 2 separate UCC-1 Financing Statements filed in California on June 14, 2000 as file number 0016860550 and on June 14, 2000 as file number 0016960016; (II) that certain Software License Agreement, dated as of 3/27/2000, between Stanford University and Debtor relative to certain software known as "SCANALYZE"; and (III) that certain Software License Agreement #467CP, that certain Software License Agreement #79997, and that certain Software License Agreement #77267, each between Debtor and Unigraphics Solutions, Inc. or UGS with respect to UG-partner-SW-MT Unigraphics Partner Software Bundle, UG10000-WISD-MT NT/INTEL SW/DOC on CD-ROM, UG10100-WISD (9 copies Window Intel Platform Media BOM), and SE 289 Solid Edge (2 licensed copies).

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Secured Party and Buyer hereby agree as follows:

1. **FOR VALUE RECEIVED**, pursuant to Section 9504 of the California Uniform Commercial Code Secured Party hereby sells, assigns and transfers to Buyer all of the Sale Assets, and Buyer hereby purchases, acquires, assumes, and accepts from Secured Party all of the Sale Assets. Any taxes, fees and the like in connection with Buyer's purchase of the Sale Assets shall be the responsibility of the Buyer.

2. THIS SALE, ASSIGNMENT AND TRANSFER OF THE SALE ASSETS IS MADE "AS IS", "WHERE IS", "WITH ALL FAULTS", WITHOUT RECOURSE, WITHOUT EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY OR FITNESS OR ANY OTHER EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. Without limiting the generality of the foregoing, Buyer acknowledges that Buyer is not relying on any representation or warranty of Secured Party, express or implied, except that Secured Party represents and warrants that it has not previously sold the Sale Assets. Buyer shall be responsible for obtaining possession of the assets sold hereby.

3. Each party hereto agrees to execute and deliver all such further instruments and documents as may be reasonably necessary in order to effectuate the foregoing transfer of the Sale Assets. Buyer understands that Buyer may perhaps need to take further steps against third parties following the transfer of the Sale Assets in order to obtain the full use and enjoyment of the rights, interests and assets so transferred.

4. This Bill of Sale is being entered into in the State of California. This Bill of Sale shall be governed by the internal laws (and not the conflict of laws rules) of the State of California. **BUYER AND SECURED PARTY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS BILL OF SALE, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE.**


[remainder of page intentionally left blank; signature page follows]

5. This sale is without prejudice to the rights and remedies Secured Party now has or may hereafter acquire against Debtor, or any other party, all of which are hereby expressly reserved.

As of June 25, 2001

**Secured Party:**

**Sand Hill Capital II, LP**

By   
Name LYNDA SCHLAMADINGER  
Title PM

**Buyer:**

**Sand Hill Capital II, LP**


By   
Name LYNDA SCHLAMADINGER  
Title PM

EXHIBIT A  
(Collateral)

All right, title and interest of Debtor in and to the following, whether now owned or hereafter arising or acquired and wherever located:

All Accounts;

All Inventory;

All Equipment;

All General Intangibles (including without limitation all Intellectual Property and Deposit Accounts);

All Investment Property;

All Other Property; and

Any and all claims, rights and interests in any of the above, and all guaranties and security for any of the above, and all substitutions and replacements for, additions, accessions, attachments, accessories, and improvements to, and proceeds and insurance proceeds of, any of the above, and all Debtor's books relating to any of the above.

As used in this Exhibit, the following terms have the following meanings:

"Accounts" means "accounts" as defined in the California Uniform Commercial Code in effect on August 28, 2000 with such additions to such term as may thereafter be made, and includes without limitation all accounts receivable and other sums owing to Debtor.

"Deposit Accounts" means "deposit accounts" as defined in the California Uniform Commercial Code in effect on August 28, 2000 with such additions to such term as may thereafter be made, and includes without limitation all general and special bank accounts, demand accounts, checking accounts, savings accounts and certificates of deposit.

"Equipment" means "equipment" as defined in the California Uniform Commercial Code in effect on August 28, 2000 with such additions to such term as may thereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"General Intangibles" means "general intangibles" as defined in the California Uniform Commercial Code in effect on August 28, 2000 with such additions to such term as may thereafter be made, and includes without limitation all Intellectual Property, Deposit Accounts, royalties, contract rights, goodwill, franchise agreements, purchase orders, customer lists, route lists, telephone numbers, domain names, claims, income tax refunds, security and other deposits, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

“Intellectual Property” means all (a) copyrights, copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished, (b) trade secret rights, including all rights to unpatented inventions and know-how, and confidential information; (c) mask work or similar rights available for the protection of semiconductor chips; (d) patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same; (e) trademarks, servicemarks, trade styles, and trade names, whether or not any of the foregoing are registered, and all applications to register and registrations of the same and like protections, and the entire goodwill of the business of Debtor connected with and symbolized by any such trademarks; (f) computer software and computer software products; (g) designs and design rights; (h) technology; (i) all claims for damages by way of past, present and future infringement of any of the rights included above; (j) all licenses or other rights to use any property or rights of a type described above.

“Inventory” means “inventory” as defined in the California Uniform Commercial Code in effect on August 28, 2000 with such additions to such term as may thereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Debtor’s custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

“Investment Property” means all investment property, securities, stocks, bonds, debentures, debt securities, partnership interests, limited liability company interests, options, security entitlements, securities accounts, commodity contracts, commodity accounts, and all financial assets held in any securities account or otherwise, wherever located, and all other securities of every kind, whether certificated or uncertificated,

“Other Property” means the following as defined in the California Uniform Commercial Code in effect on August 28, 2000 with such additions to such term as may thereafter be made, and all rights relating thereto: “documents”, “instruments”, “chattel paper”, “letters of credit”, “fixtures”, and “money”.

EXHIBIT A (continued)

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Paraform	2358265	6/16/2000

EXHIBIT A (continued)

Patents

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Creating and Modifying Parameterizations of Surfaces	09/196,337	11/19/1998
Methods for Manipulating Curves Constrained to Unparameterized Surfaces	09/133,939	08/14/1998
Parameterized Surface Fitting Technique Having Independent Control of Fitting and Parameterization	09/209,636	12/10/1998
Software License Agreement, dated as of 10/9/1997, as amended by Amendment No. 1 thereto, dated as of 07/15/1998, with Stanford University		



EXHIBIT A (continued)

Copyrights

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Paraform 1.5		8/24/00
Paraform 2.0		8/24/00
*OEM Software License Agreement, dated as of 12/31/1998, with Spatial Technology, Inc.		
*Software License Agreement, dated as of 11/4/1999, with Applied Metrology, Inc.		
*any executed license documentation or letter of intent relative thereto with Brock Rooney & Associates		
*Software License Agreement, dated as of 3/27/2000, with Stanford University		
*PDE/Lib Development License Agreement dated 1/13/2000, with International Technegroup Inc.		

\* These licenses were identified by Debtor as part of Debtor's copyright-related Collateral to ensure that Debtor complied with certain disclosure requirements. By listing these licenses on this Exhibit, no determination is made as to whether the licensor's rights in the licensed materials constitute registered copyrights or are subject to United States copyright protections.