

08-08-2001



REC

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TRADEMARKS ONLY

DH

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

Submission Type

- New *8-3-01*
- 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
- Merger
- Change of Name
- Other

Effective Date
Month Day Year

July 9, 2001

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

July 9, 2001

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership 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.)
- Corporation Association

08/08/2001 TBIAZ1 00000014 75432347

01 FC:481
02 FC:482

40.00/DP
300.00/DP

Other

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

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.

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name **Michael P. Sagan**

Address (line 1) **Cooley Godward LLP**

Address (line 2) **11951 Freedom Drive**

Address (line 3) **Reston Town Center**

Address (line 4) **Reston, VA 20190**

Correspondent Name and Address

Area Code and Telephone Number **703-456-8515**

Name **Barbara Smiley**

Address (line 1) **Cooley Godward LLP**

Address (line 2) **11951 Freedom Drive**

Address (line 3) **Reston Town Center**

Address (line 4) **Reston, VA 20190**

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

12

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)

75/432,347	75/872,475	75/679,340
75/732,174	75/896,763	76/107,694
75/822,740	75/418,932	76/136,010

2285942		
2308571		

Number of Properties

Enter the total number of properties involved.

13

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$ **340.00**

Method of Payment:

Enclosed

Deposit Account

Deposit Account

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

Deposit Account Number:

03-3118

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.

Barbara P. Smiley
Name of Person Signing

Barbara P. Smiley
Signature

July 30, 2001
Date Signed

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

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.

Other

(Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization

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)

76/177,899	<input type="text"/>	<input type="text"/>
76/177,982	<input type="text"/>	<input type="text"/>
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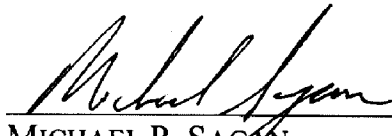
UNITED STATES DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

DESIGNATION OF DOMESTIC REPRESENTATIVE

Cooley Godward LLP, whose full post office address is One Freedom Square, Reston Town Center, 11951 Freedom Drive, Reston, Virginia, 20190-5601, U.S.A., is hereby designated as SOFINOV, Societe Financiere D'Innovation Inc.'s representative upon whom notice or process in proceedings affecting the mark may be served.

COOLEY GODWARD LLP

July 30, 2001



MICHAEL P. SAGAN
Attorneys for SOFINOV,
Societe Financiere D'Innovation Inc.
One Freedom Square
Reston Town Center
11951 Freedom Drive
Reston, VA 20190-5601
(703) 456-8000

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of July 9, 2001 by and between SOFINOV, SOCIÉTÉ FINANCIÈRE D'INNOVATION INC., a Québec corporation ("*Lender*") and ARC SECOND, INC., a Virginia corporation ("*Grantor*").

RECITALS

A. Lender 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 Note and Warrant Purchase Agreement by and between Lender and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "*Purchase Agreement*").

B. As security for the Loan, Grantor has granted Lender a security interest in certain collateral of Grantor pursuant to the terms of that certain Security Agreement of even date herewith executed by Grantor in favor of Lender (as the same may be amended, modified or supplemented from time to time, the "*Security Agreement*"). Capitalized terms used herein are used as defined in the Purchase Agreement and Security Agreement.

C. Lender is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Lender a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Purchase Agreement and the Note.

D. Pursuant to the terms of the Purchase Agreement and Security Agreement, Grantor has granted to Lender 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 Purchase Agreement, Note and all other agreements now existing or hereafter arising between Grantor and Lender, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Note, Purchase Agreement and under any other agreement now existing or hereafter arising between Lender and Grantor, Grantor grants and pledges to Lender 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 Lender under the Security Agreement and Purchase Agreement. The rights and remedies of Lender with respect to the security interest granted hereby are in addition to those set forth in the Security Agreement, Note, Purchase Agreement and the other loan documents, and those which are now or hereafter available to Lender as a matter of law or equity. Each right, power and remedy of Lender provided for herein or in the Security Agreement, Purchase Agreement, Note or any other loan documents, 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 Lender of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Security Agreement, Purchase Agreement, Note 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 Lender, 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.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

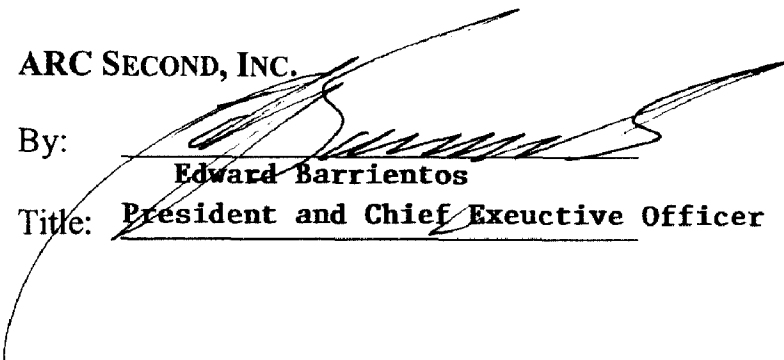
GRANTOR:

Address of Grantor:

44880 Falcon Place, Suite 100
Dulles, VA 20166

Attn: Mr. Edward Barrientos

ARC SECOND, INC.

By: 
Edward Barrientos
Title: President and Chief Executive Officer

LENDER:

SOFINOV, SOCIÉTÉ FINANCIÈRE D'INNOVATION INC.

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

Address of Lender:

Attn: Julie Tremblay, Esquire

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

ARC SECOND, INC.

By: _____

Title: _____

Attn: _____

LENDER:

SOFINOV, SOCIÉTÉ FINANCIÈRE D'INNOVATION INC.

By: 

Printed Name: DENIS DIONNE

Title: PRESIDENT

By: 

Printed Name: EDWARD SLOOD

Title: DIRECTOR

Address of Lender:

1801 Avenue McGill College, 13th Floor
Montreal, Quebec H3A 2N4
Canada

Attn: Julie Tremblay, Esquire

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270T01!.DOC
070501/1921

EXHIBIT A

COPYRIGHTS

REGISTERED COPYRIGHTS			
Description	Submitted (1)	Registration Number	Copyright Date
Position calculation engine 509 firmware version P2.6:1b10	8/15/2000	TXu 974-273	11-Sep-00
Arc Second Survey application software version 2.3.1	8/15/2000	TXu 974-275	11-Sep-00
PocketCad application software version 2.1	8/15/2000	TXu 974-274	11-Sep-00

PENDING COPYRIGHTS			
Description	Submitted (1)	Registration Number	Copyright Date
Sequoia Application 509 firmware version 1x15	8/15/2000		

EXHIBIT B

PATENTS

REGISTERED INTELLECTUAL PROPERTY


	Patent Number	Authors	Title	Filed	Issued	Expires
USA	5,100,229	Lundberg et al.	Spatial Positioning System	August 17, 1990	March 31, 1992	August 17, 2010
USA	5,110,202	Dombusch et al	Spatial Positioning and Measurement System	August 17, 1990	May 5, 1992	August 17, 2010
USA	5,247,487	Beliveau et al.	Spatial Measurement Recovery System	June 17, 1991	September 21, 1993	June 17, 2011
USA	5,294,970	Dombusch et al.	Spatial Positioning System	December 31, 1990	March 15, 1994	March 15, 2011
USA	5,461,473	Pratt et al.	Transmitter and Receiver Units for Spatial Measurement System	June 17, 1991	October 24, 1995	October 24, 2012
USA	5,579,102	Pratt, et al.	Transmitter and Receiver Units for Spatial Position Measurement System	June 17, 1991	November 26, 1996	August 17, 2010
European	EP0543954			August 19, 1991	October 30, 1996	August 19, 2011
European	EP0659265			September 9, 1992	March 4, 1998	September 9, 2012
Canada	2,089,662	Lundberg, et al	Combined	August 19, 1991	December 3, 1996	August 19, 2011
Canada	2,111,117			June 17, 1992	January 20, 1998	June 17, 2012
European	EP0543954			August 19, 1991	October 30, 1996	August 19, 2011
European	EP0659265			September 9, 1992	March 4, 1998	September 9, 2012
France	EP0543954			August 19, 1991	October 30, 1996	August 19, 2011
France	EP0659265			September 9, 1992	March 4, 1998	September 9, 2012
Germany	69,122,965.1			August 19, 1991	June 5, 1997	August 19, 2011
Germany	69,224,671.1			September 9, 1992	March 4, 1998	September 9, 2012
Great Britain	EP0543954			August 19, 1991	October 30, 1996	August 19, 2011
Great Britain	EP0659265			September 9, 1992	March 4, 1998	September 9, 2012
Italy	EP0543954			August 19, 1991	October 30, 1996	August 19, 2011
Italy	EP0659265			September 9, 1992	March 4, 1998	September 9, 2012
Japan	JP3101703		HEI 6-507148	September 9, 1992	August 25, 2000	September 9, 2012
Switzerland/Lech	EP0543954			August 19, 1991	October 30, 1996	August 19, 2011
Switzerland/Lech	EP0659265			September 9, 1992	March 4, 1998	September 9, 2012


UNREGISTERED INTELLECTUAL PROPERTY

	App. No./I	Authors	Title	Priority Date	
USA	09/417,112	Pratt et al.	Rotating Head Optical Transmitter for Position Measurement System		October 13, 1998
	09/532,100	Hedges et al.	Low Cost Transmitter with Calibration Means for Use in Position Measurement Systems		March 22, 2000
	09/532,099	Hedges et al.	Improved Method and Optical Receiver with Easy Setup Means for Use in Position Measurement Systems		March 22, 2000
	09/532,026	Skolnick et al.	Method and System for Creating a User-Selectable Arbitrary Coordinate Frame		March 21, 2000
	ARC-154	Belivear et al.	Improved Low Cost 2D Position Measurement System and Method		February 26, 2001
	ARC-156	Hedges et al.	Apparatus and Method for Determining Position		February 26, 2001
	PCT/US91/05797				Aug. 19, 1991
	PCT/US92/05132				June 17, 1992
	PCT/US92/07615				Sept. 9, 1992
	PCT/US99/23615	Pratt et al.	Rotating Head Optical Transmitter for Position Measurement System		Oct. 13, 1999
	PCT/US00/07504	Hedges et al.	Low Cost Transmitter with Calibration Means for Use in Position Measurement Systems		Mar. 21, 2000
	PCT/US00/07445	Hedges et al.	Improved Method and Optical Receiver with Easy Setup Means for Use in Position Measurement Systems	Mar. 22, 1999	Mar. 22, 2000
	PCT/US00/07446	Skolnick et al.	Method and System for Creating a User-Selectable Arbitrary Coordinate Frame		Mar. 21, 2000
	ARC-155	Beliveau et al.	Improved Low Cost 2D Position Measurement System and Method	February 28, 2000	February 27, 2001
	ARC-157	Hedges et al.	Apparatus and Method for Determining Position	February 28, 2000	February 27, 2001
	65135/99	Pratt et al.	Rotating Head Optical Transmitter for Position Measurement System --PCT/US99/23615		
	2,314,882	Pratt et al.	Rotating Head Optical Transmitter for Position Measurement System --PCT/US99/23615		
	92,914,081			June 17, 1992	pending
	96,103,326			August 19, 1991	pending
	99953127.0	Pratt et al.	Rotating Head Optical Transmitter for Position Measurement System --PCT/US99/23615	September 27, 2000	pending
	96,103,325.5			August 19, 1991	pending
	96,103,325.5			August 19, 1991	pending
	96,103,325.5			August 19, 1991	pending
	HEI 3-518241	PCT/US/91/05797		August 19, 1991	pending
	5-501105	PCT/US92/05132		June 17, 1992	pending
	2000-576237	Pratt et al.	Rotating Head Optical Transmitter for Position Measurement System --PCT/US99/23615	June 22,2000	
Switzerland/Lsch	96,103,325.5			August 19, 1991	pending

US Provisional	Authors	Title	Submitted
60/243,762	Hedges, et.al.	Improved Optical Receiver for Position measurement System and Method with Cone Math Calibration Means	Oct. 30, 2000
	Feilmeier, et al	Improved Portable Computer Aided Design Apparatus and Method	Dec. 29, 2000

EXHIBIT C
TRADEMARKS

Registered Trademarks					
Serial Number	Registration Number	Word Mark	Graphic Mark	Status	Notes
75234591	2285942	POCKETCAD		Approved	
75467515	2308571			Approved	

Trademarks In Process					
Serial Number	Registration Number	Word Mark	Graphic Mark	Status	Notes
75432347		ARC SECOND		In Process	Service Mark under Spatial
75732174		3D INTELLIGENCE		In Process	
75822740		3D INTELLIGENT		Abandoned	Duplicate to 75872475
75872475		3D INTELLIGENT		In Process	
75896763		VULCAN		In Process	
75418932		ARC SECOND		Abandoned	Re-Filed 76136010
75679340		ON-DEMAND 3D		Abandoned	No longer utilized
76107694		3DI		In Process	
76136010		ARC SECOND		In Process	Trade Mark
76177982				In Process	
76177899		THE MOBILE CAD STANDARD		In Process	