

09-13-2001

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



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

101840366

Tab settings

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

1. Name of conveying party(ies):

SHC Paraform Acquisition Corp.

- Individual(s) Association General Partnership Limited Partnership Corporation-State California 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 29, 2001

2. Name and address of receiving party(ies)

Name: Sand Hill Capital Holdings, Inc.

Internal Address: Attn: Portfolio Manager 3000 Sand Hill Road Building 2, Suite 110 Menlo Park State: CA Zip: 94025

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Delaware 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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2358265

Additional number(s) attached Yes 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]

August 30, 2001

Name of Person Signing

Signature

Date

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

6

09/12/2001 6TUN11 00000001 2358265

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

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40.00 DP

TRADEMARK REEL: 002365 FRAME: 0132

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of August 29, 2001 by and between SAND HILL CAPITAL HOLDINGS, INC. ("Sand Hill") and SHC Paraform Acquisition Corp., a California corporation ("Debtor"), with reference to the following facts:

Sand Hill and Debtor are parties to that certain loan agreement of even date (as amended from time to time, the "Loan Agreement"). Capitalized terms used herein have the meaning assigned in the Loan Agreement. Pursuant to the terms of the Loan Agreement, Debtor has granted to Sand Hill security interests in all of Debtor's right, title and interest, whether presently existing or hereafter acquired, in, to and under the Collateral.

NOW, THEREFORE, Debtor agrees as follows:

To secure performance of its "Obligations" as defined in the Loan Agreement, Debtor grants to Sand Hill security interests in all of Debtor's right, title and interest in Debtor's intellectual property (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), 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).

Debtor represents and warrants that (i) listed on Schedule A hereto are all trademark registrations and pending registrations owned or controlled by Debtor or licensed to Debtor, (ii) listed on Schedule B are all patents and patent applications owned or controlled by Debtor or licensed to Debtor, and (iii) listed on Schedule C are all of Debtor's software, computer programs and other works of authorship subject to United States copyright protection (other than off-the-shelf software licensed to Debtor on a non-exclusive basis), including, without limitation, those for which the sale, licensing or other disposition results in royalties receivable, license fees receivable, accounts receivable or other sums owing to Debtor. Debtor shall, within 15 days after the date hereof, register or cause to be registered (if and to the extent not already so registered or the subject of a duly prosecuted application therefor) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, those intellectual property rights listed on Schedules A, B and C hereto. Debtor shall register or cause to be registered on an expedited basis with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, those additional patents, trademarks, software, computer programs and other works of authorship developed or acquired by Debtor from time to time hereafter (including without limitation revisions or additions to the intellectual property rights listed on such Schedules A, B and C). Debtor shall from time to time, execute and file such other instruments, and take such further actions as Sand Hill may reasonably request from time to time to perfect or continue the perfection of Sand Hill's interest in the intellectual property.

The security interests hereunder are granted in conjunction with the security interests granted to Sand Hill under the Loan Agreement. Each right, power and remedy of Sand Hill provided for herein shall not preclude the simultaneous or later exercise by Sand Hill of any or all other rights, powers or remedies.

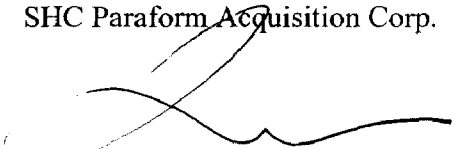
[remainder of page intentionally left blank; signature page follows]

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

Address of Debtor:

SHC Paraform Acquisition Corp.


SHC Paraform Acquisition Corp.
3000 Sand Hill Road, Building 2, Suite 110
Menlo Park, California 94025
Att'n: President
Fax: 650-234-0414


By _____
Title SEC

Address of Sand Hill:

SAND HILL CAPITAL HOLDINGS, INC.

Sand Hill Capital Holdings, Inc.
3000 Sand Hill Road, Building 2, Suite 110
Menlo Park, California 94025
Att'n: Portfolio Manager
Fax: 650-234-0414


By _____
Title PM

Form: Version -3 3/30/01

SCHEDULE A

Trademarks

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

SCHEDULE B

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		

SCHEDULE C

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		
*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 Schedule, 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.