

03-22-2002



102028133

To the Honorable Commissioner of Patent, Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): Sysgenics Limited
[] Individuals [] Association
[] General Partnership [] Limited Partnership
[] Corporation-State-MD
[X] Other organized under English law
Additional name(s) of conveying party(ies) attached? [] Yes [X] No

Name and address of receiving party(ies)
Name: Comerica Bank - California
Internal
Address:
Street Address: 226 Airport Parkway
City: San Jose State: CA Zip: 95111
[] Individual(s) citizenship
[] Association
[] General Partnership
[] Limited Partnership
[] Corporation-State
[X] Other California Bank
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 [X] No

3. Nature of conveyance:
[] Assignment [] Merger
[X] Security Agreement [] Change of Name
[] Other
Execution Date: February 21, 2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
B. Trademark Registration No.(s)
2,223,155
Additional numbers attached? [] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Barbara P. Smiley
Internal Address:
Cooley Godward LLP
Street Address: 11951 Freedom Drive
City: Reston State: VA Zip: 20190

6. Total number of applications and trademarks involved: 1
7. Total fee (37 CFR 3.41) \$ 40.00
[X] 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.
Barbara P. Smiley
Name of Person Signing Signature Date March 12, 2002
Total number of pages including cover sheet, attachments, and documents: 7

03/21/2002 6TON11 0000261 2223155 01 FC:481 40.00 OP

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

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of February 21, 2002 by and between COMERICA BANK – CALIFORNIA (“*Bank*”) and SYSGENICS LIMITED, organized under English law (“*Grantor*”).

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodations (such advances of money and financial accommodations being referred to herein as the “*Loans*”) to METASTORM INC., a Maryland corporation (“*Metastorm-US*”) and ELITE FEDERAL FORMS, INC. (“*Elite*”), a Maryland corporation (Metastorm-US and Elite each individually being a “*Borrower*” and, collectively, the “*Borrowers*”) in the amounts and manner set forth in that certain Loan and Security Agreement by and among Bank and Borrowers dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the “*Loan Agreement*”; capitalized terms used herein and not defined herein are used as defined in the Loan Agreement).

B. Bank is willing to make the Loans to Borrowers, but only upon the condition, among others, that Grantor, a wholly-owned subsidiary of Metastorm-US, shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents of the Grantor and guaranty Borrowers’ payment and performance under the Loan Documents.

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 the obligations of Borrowers under the Loan Documents and all agreements now existing or hereafter arising between Borrowers and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure the obligations of Borrowers under the Loan Documents and under all agreements now existing or hereafter arising between Bank and Borrowers, Grantor grants and pledges to Bank 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.

As used herein the following terms shall have the meanings set forth below:

“*Copyrights*” means 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.

"Intellectual Property Collateral" means all of Grantor's right, title, and interest in and to the following:

(a) Copyrights, Trademarks and Patents;

(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) 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;

(e) 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;

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

(g) 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.

"Patents" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"Trademarks" means 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.

~~The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or 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 Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement 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 Bank, 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.

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:

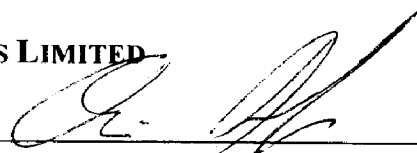
Address of Grantor:

Central House
1 Alwayne Road
Wimbledon
London SW19 7AB
United Kingdom

Attn: Roger Lovegrove

SYSGENICS LIMITED

By: _____



Title: _____

Area Director

BANK:

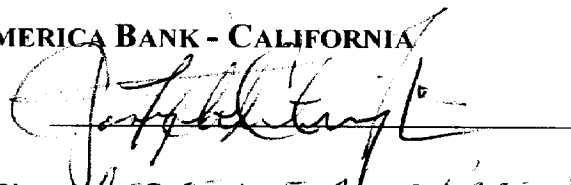
Address of Bank:

226 Airport Parkway
San Jose, CA 95110

Attn: Corporate Banking Center

COMERICA BANK - CALIFORNIA

By: _____



Title: _____

ASSISTANT VICE PRESIDENT

EXHIBIT A
COPYRIGHTS

Description	Registration Number	Registration Date
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None.

EXHIBIT B

PATENTS

Description	Registration/ Application Number	Registration/ Application Date
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None.

EXHIBIT C
TRADEMARKS

UNITED STATES TRADEMARKS

Description	Registration/ Application Number	Registration/ Application Date
SYSGENICS	2,223,155	02/9/99

UNITED KINGDOM TRADEMARKS

Description	Registration/ Application Number	Registration/ Application Date
SYSGENICS	2,124,464	11/21/97
E WORK	2,124,479	09/05/97

COMMUNITY TRADEMARKS

Description	Registration/ Application Number	Registration/ Application Date
SYSGENICS	462,960	12/22/98
E WORK	487,371	02/25/00