

05-08-2002

FORM PTO-1594

RECORDED



U.S. DEPARTMENT OF COMMERCE

(Rev. 03/01)

OMB No. 0651-0027 (exp. 05/31/2002)

Patent and Trademark Office

102082513

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

1. Name of conveying party(ies): ABSOLUTE PERFORMANCE, INC. 4-26-02

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance: Security Agreement

Execution Date: 4/8/02

2. Name and address of receiving party(ies): Silicon Valley Bank, 3003 Tasman Drive, Santa Clara, CA 95054

OFFICE OF PUBLIC RECORDS FINANCE SECTION

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 78/100,677 B. Trademark No.(s)

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Silicon Valley Bank, Loan Documentation HA155, 3003 Tasman Dr., Santa Clara, Ca, ZIP: 95054

6. Total number of applications and registrations involved: 1 Total fee (37 CFR 3.41): \$40.00 Enclosed

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.

Shannon Hubbard Name of Person Signing

Signature

4/12/02 Date

Total number of pages including cover sheet, attachments, and document: 7

05/07/2002 GTDM11 00000153 78100677

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 OP

TRADEMARK REEL: 002498 FRAME: 0065

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of April 8, 2002 by and between SILICON VALLEY BANK ("Bank") and Absolute Performance, Inc. ("Grantor").

### RECITALS

A. Bank 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 Loan and Security Agreement by and between Bank and Grantor dated April 8, 2002 (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement). Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks, Patents, and Mask Works to secure the obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank 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 Loan Agreement, Grantor hereby represents, warrants, covenants and agrees as follows:

### AGREEMENT

To secure its obligations under the Loan Agreement, 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, Trademarks and Mask Works listed on Schedules A, B, C, and D 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 Bank under the Loan Agreement. 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.

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

Address of Grantor:

4888 Pearl East Circle, Suite 300 East  
Boulder, CO 80301

Attn: DAVID G. JACOBSON

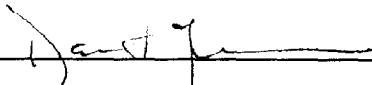
Address of Bank:

4410 Arapahoe Ave., Ste. 200  
Boulder, CO 80303

Attn: Kevin Grossman

GRANTOR:


Absolute Performance, Inc.

By: 

Title: COO/CTO

BANK:

SILICON VALLEY BANK

By: 

Title: VP

EXHIBIT A

Copyrights

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

NONE APPLIED FOR

EXHIBIT B

Patents

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

NONE

EXHIBIT C

Trademarks

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

SYSTEM SHEPHERD

78100677

JANUARY 3, 2002

EXHIBIT D

Mask Works

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

*None*