

07-17-2002



102158995

FORM PTO-1594
(Rev 5-93)

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies):

PICTUREIQ CORPORATION

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: DELAWARE

Other:

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

3. Nature of Conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: May 16, 2002

2. Name and address of receiving party(ies):

Name: ADOBE VENTURES IV, L.P. as Agent for the Purchasers
Address: c/o GRANITE VENTURES, ONE BUSH STREET
City: SAN FRANCISCO State: CA Zip: 94104

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership: CALIFORNIA

Corporation - State:

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 [X] No

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

A. Trademark Application No.(s)

78/078,692	78/039,911
78/039,914	78/039,913
78/039,912	78/039,915
78/087,599	75/573,406
75/573,404	75/573,426
75/573,405	

B. Trademark Registration No.(s)

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Erin O'Brien
Internal Address: GRAY CARY WARE & FREIDENRICH
4365 Executive Drive, Suite 1100
San Diego, California 92121-2133

6 Total number of applications and registrations involved: 11

7. Total fee (37 CFR 3.41) \$290.00

[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.

Erin O'Brien
Name of Person Signing

Erin O'Brien
Signature

July 16, 2002
Date

Total number of pages comprising cover sheet: [6]

Mail Documents to be recorded with required cover sheet information to:

U.S. Patent and Trademark Office, Office of Public Records
1213 Jefferson Davis Highway, 3rd Floor
Arlington, VA 22202

07/17/2002 6TON11 00000151 78078692

01 FC:481 40.00 OP
02 FC:482 250.00 OP

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1080652-900000

TRADEMARK
REEL: 002544 FRAME: 0542

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "Intellectual Property Security Agreement") is made as of May 16, 2002 by and between PictureIQ Corporation, a Delaware corporation (the "Grantor"), Adobe Ventures IV, L.P. (the "Agent"), as Agent for the Purchasers under the Note and Warrant Purchase Agreement dated as of the date hereof (the "Purchase Agreement").

RECITALS

A. The Purchasers, as defined in the Purchase Agreement, have agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the "Loans") pursuant to Notes in the amounts and manner set forth in the Purchase Agreement by and between Purchasers and Grantor. Grantor's obligations and liabilities to the Purchasers are secured by the liens and security interests granted to Agent, on behalf of itself and the Purchasers, under the Security Agreement, dated as of the date hereof, among the Purchasers, Agent and the Grantor. Capitalized terms used herein are used as defined in the Security Agreement. Purchasers are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Agent a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Documents.

B. Pursuant to the terms of the Security Agreement, Grantor has granted to Agent, for the ratable benefit of Agent and the Purchasers, 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 Documents, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its Obligations under the Loan Documents, Grantor grants and pledges to Agent, for the ratable benefit of Agent and the Purchasers, a continuing 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 Agent under the Security Agreement. The rights and remedies of Agent with respect to the security interest granted hereby are in addition to those set forth in the Security Agreement and the other Loan Documents, and those which are now or hereafter available to Agent as a matter of law or

equity. Each right, power and remedy of Agent provided for herein or in the Security 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 Agent of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Security 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 Agent, 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.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

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:

PICTUREIQ CORPORATION

Address of Grantor:

505 Fifth Avenue South
Suite 350
Seattle, WA 98104

By: 

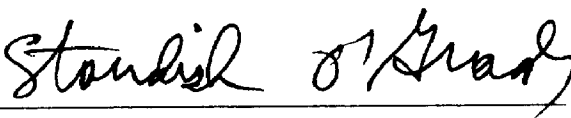
Title: CEO

Attn: Chief Executive Officer

Address of Agent:

Attn: Adobe Ventures IV, LP
Granite Ventures, LLC
One Bush St
San Francisco, CA 94104

AGENT:

By: 

Title: _____

EXHIBIT A

Copyrights

EXHIBIT B

Patents

Design Patents

Invention - Short Title	Filed Date	Application No.	Patent No.	Where Filed	Pending	Allowed
GUI Interaction	11/17/99	29/114,169	US D438,874	US		X
Computer Icon	11/17/99	29/144,170	US D439,912	US		X
Dynamic Computer Icon	11/17/99	29/114,098		US	X	

Utility Patents

Inventions - Short Titles	Priority Date	Application No.	Where Filed *	Pending	Allowed
Res-Indy Rendering	10/13/00	PCT/US01/42694	US/EU/JP	X	
Transforce	01/26/01	PCT/US01/16080	US/EU/JP	X	
Yuki UI/TV	02/05/01	PCT/US01/04052	US/EU/JP	X	
ToolBar	02/28/00	PCT/US01/06065	US/EU/JP	X	
Auto Indoor Light Adjust	09/21/99	09/399,970	US	X	
Digital Negative	04/11/00	09/546,932	US/EU/JP	X	
On Demand – Any Resolution 2 Applications – US/PCT	11/28/00	09/724,658	US/EU/JP	X	
On Demand – Low Resolution	11/28/00	09/725,326	US	X	
Hi- Resolution Rendering	11/28/00	09/724,906	US	X	
Greeting Card Method	11/28/00	09/724,907	US	X	
Video Editing Workflow 2 Applications – US/PCT	11/28/00	09/725,325	US/EU/JP	X	
Synchronizing Techniques 2 Applications- US/PCT	11/28/00	09/724,775	US/EU/JP	X	
Recursive Linking	11/28/00	09/724,756	US	X	
Autosizing Templates	12/18/01	60/342,061	Provisiona 1		
Auto Expose Photo Adjust	12/18/01	60/342,060	Provisiona 1		

* US (United States) EU (European Union) JP (Japan)

EXHIBIT C

Trademarks

Trademark	Application No.	Pending	Allowed
Transforce	78078692	X	
PictureIQ Transforce	78039911	X	
PictureIQ Printforce	78039914	X	
PictureIQ Photoforce	78039913	X	
PictureIQ Prepforce	78039912	X	
PictureIQ Phototools	78039915	X	
Dynamic Transformation System	78087599	X	
PictureIQ	75573406		X
Video IQ	75573404	X	
Digital IQ	75573426	X	
Video Intelligence	75573405	X	
Transforce	Korea	X	
Transforce	European Community - 002569481	X	
Transforce	Norway - 2002-00901	X	
Transforce	Japan - 2002-014055	X	