

01-15-2003



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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)

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

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):

The Frontline Group of Texas, L.L.C.

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other Texas Limited Liability Company

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: 12/31/2002

2. Name and address of receiving party(ies)

Name: Heller Financial, Inc., a

Internal GE Capital Company

Address:

Street Address: 500 West Monroe Street

City: Chicago State: IL Zip: 60661

- 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)

2,064,168 2,103,203

Additional number(s) attached Yes No

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

Name: Suzanne Johnson

Internal Address: Jenner & Block, LLC

Street Address: One IBM Plaza

City Chicago State: IL Zip: 60611

6. Total number of applications and registrations involved:

6

7. Total fee (37 CFR 3.41): \$ 165.00

- 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.

Suzanne H. Johnson

Name of Person Signing

Signature

1/10/03

Date

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

12

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

01/14/2003 TDIAZ1 00000130 2064168

01 FC:8521 02 FC:8522

40.00 OP 125.00 OP

TRADEMARK REEL: 002651 FRAME: 0603

Continuation of Box 4B

2,173,682

2,323,985

2,376,976

2,482,381

**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of December 31, 2002, is made by THE FRONTLINE GROUP OF TEXAS, L.L.C., a Texas limited liability company ("Grantor"), in favor of HELLER FINANCIAL, INC., a GE CAPITAL COMPANY, a Delaware corporation ("Lender").

## WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement dated as of the date hereof by and between Grantor and Lender (as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lender has agreed to make Loans to, and extend credit for the benefit of Grantor; and

WHEREAS, Lender is willing to make such extensions of credit as provided for in the Loan Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Lender this Intellectual Property Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement.
2. GRANT OF SECURITY INTEREST IN INTELLECTUAL PROPERTY COLLATERAL. To secure the complete and timely payment of all the Obligations of Grantor now or hereafter existing from time to time, Grantor hereby pledges and grants to Lender a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Intellectual Property Collateral"):
  - (a) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule I hereto;
  - (b) all of its Copyrights and Copyright Licenses to which it is a party including those referred to on Schedule II hereto;
  - (c) all reissues, continuations or extensions of the foregoing;
  - (d) all goodwill of the business connected with the use of, and symbolized by, each Trademark, each Trademark License, each Copyright and each Copyright License; and

(e) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License, (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License, (iii) infringement or dilution of any Copyright or Copyright licensed under any Copyright License, and (iv) injury to the goodwill associated with any Copyright or any Copyright licensed under any Copyright License.

3. **REPRESENTATIONS AND WARRANTIES.** Grantor represents and warrants that Grantor does not have any interest in, or title to, any Trademark or Copyright, except as set forth in Schedule I and Schedule II, respectively, hereto, and Grantor does not have any interest in, or title to, any Patent. This Intellectual Property Security Agreement is effective to create a valid and continuing Lien on and, upon the filing hereof with the United States Patent and Trademark Office and the United States Copyright Office, perfected security interests in favor of Lender in all of Grantor's Trademarks and Copyrights and such perfected security interests are enforceable as such as against any and all creditors of, and purchasers from, Grantor. Upon filing of this Intellectual Property Security Agreement with the United States Patent and Trademark Office and the United States Copyright Office and the filing of appropriate financing statements listed on Disclosure Schedule (6.1) to the Loan Agreement, all action necessary or desirable to protect and perfect Lender's Lien on Grantor's Trademarks and Copyrights shall have been duly taken.

4. **COVENANTS.** Grantor covenants and agrees with Lender that from and after the date of this Intellectual Property Security Agreement and until the Termination Date:

(a) Grantor shall notify Lender immediately if it knows or has reason to know that any application or registration relating to any Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding Grantor's ownership of any Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) In no event shall Grantor, either directly or through any agent, employee, licensee or designee, file an application for the registration of any Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving Lender prior written notice thereof, and, upon request of Lender, Grantor shall execute and deliver a supplement hereto (in form and substance satisfactory to Lender) to evidence Lender's Lien on such Trademark or Copyright, and the General Intangibles of Grantor relating thereto or represented thereby.

(c) Grantor shall take all actions necessary or requested by Lender to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Trademarks (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

(d) In the event that any of the Intellectual Property Collateral is infringed upon, or misappropriated or diluted by a third party, Grantor shall notify Lender promptly after Grantor learns thereof. Grantor shall, unless it shall reasonably determine that such Intellectual Property Collateral is in no way material to the conduct of its business or operations, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and shall take such other actions as Lender shall deem appropriate under the circumstances to protect such Intellectual Property Collateral.

5. SECURITY AGREEMENT. The security interests granted pursuant to this Intellectual Property Security Agreement are granted in conjunction with the security interests granted to Lender pursuant to the Loan Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

6. REINSTATEMENT. This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7. NOTICES. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Loan Agreement.

8. TERMINATION OF THIS SECURITY AGREEMENT. Subject to Section 6 hereof, this Intellectual Property Security Agreement and all rights of Lender hereunder, shall terminate upon the Termination Date, and all of Grantor's obligations hereunder shall at such time terminate. Upon the request of Grantor following the Termination Date, at the expense of Grantor, Lender shall deliver to Grantor appropriate instruments of release evidencing the termination of this Agreement and release of the rights and Liens in favor of Lender created hereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

**THE FRONTLINE GROUP OF TEXAS, L.L.C**

By: Mark W. Brooker  
Mark Brooker, President

ACCEPTED and ACKNOWLEDGED by:

**HELLER FINANCIAL, INC.,  
A GE CAPITAL COMPANY**

By: John L. Carabelli  
Name: John L. Carabelli  
Title: Duly Authorized Signatory

SCHEDULE I  
to  
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. TRADEMARK REGISTRATIONS

Trademark No.	Registration Date	Mark
2,376,976	07/17/00	Miscellaneous Design – Multi Color Quadrant
2,064,168	05/20/97	Organizational Learning Systems
2,103,203	10/07/97	Bullseye/Arrow Design
2,173,682	07/14/98	Target/Bullseye Design
2,323,985	02/29/00	Progeny
2,482,381	08/28/01	Know How2 the Power of Experience, Shared and Design

II. TRADEMARK APPLICATIONS

<u>Mark</u>	<u>Application No.</u>	<u>Date</u>
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None.

III. TRADEMARK LICENSES

<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
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Master Software License Agreement dated as of May 17, 2000 By and Between Guarantor and BP America Inc.

Master Service Agreement dated as of March 12, 2002 By and Between Guarantor and BP America Production Company



Online Training Content Access License (Wells Community) dated as of June 22, 2001 and Between Guarantor and BP America Production Company.

Temporary Personnel Services Contract dated as of February 13, 2002 By and Between Guarantor and BP Amoco Norge AS.

Services Agreement Knowledge Management Consultancy Agreement dated as of February 6, 2002 By and Between Guarantor and BP Trinidad and Tobago LLC.

Master Service Agreement dated as of February 1, 2002 By and Between Guarantor and ChevronTexaco Project Resources.

RMS License (Risk Management System) dated as of March 28, 2002 By and Between Guarantor and ChevronTexaco (PRC).

KnowHow<sup>2</sup> PRC Pilot Site License dated as of July 3, 2002 By and Between Guarantor and ChevronTexaco PRC.

Master Service Agreement dated as of January 24, 2001 By and Between Guarantor and Apache Corporation.

Consulting Agreement Maxwell Coordinator dated as of January 25, 2001 By and Between Guarantor and Phillips Alaska, Inc. Amendment No. 1 for addition of a second Maxwell Coordinator dated March 5, 2001. Amendment No.2 dated February 11, 2001 extending the agreement for 2 additional years to December 13, 2003.

Software License, Maintenance, And Service Agreement dated as of December 15, 1997 By and Between Guarantor and Phillips Petroleum Company (now ConocoPhillips).

Master Service Agreement dated as of June 1, 1999 By and Between Guarantor and Marathon Oil Company.

OLS License dated as of February 1, 2000 By and Between Guarantor and Marathon Oil Company.

OLS Project License dated as of October 11, 1997 By and Between Guarantor and A/S Norske Shell-Undersøkeise og Produksjon.

OLS License – (Best Team) Limited Perpetual Site License dated as of June 15, 2002 By and Between Guarantor and Baker Hughes Enterprise Services & Technology (UK).

OLS License – dated as of October, 1, 1996 By and Between Guarantor and Baker Hughes Inteq.

Master Service Agreement dated as of April 23, 2002 By and Between Guarantor and Peritus Associates, Inc.

Master Service Agreement dated as of June 26, 1997 By and Between Guarantor and Mobil Oil and Producing Services, Inc.

Drilling Management System License dated as of March 24, 1995 By and Between Guarantor and Santa Fe Drilling Company (North Sea) Ltd.

SCHEDULE II  
to  
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. COPYRIGHT REGISTRATIONS

<u>Registration No.</u>	<u>Registration Date</u>	<u>Title</u>
TX4145025	effective date of October 30, 1995	software entitled "Organizational Learning Systems"

II. COPYRIGHT APPLICATIONS

Copyright                      Application No.                      Date

None.

III. COPYRIGHT LICENSES

Name of Agreement                      Date of Agreement                      Parties

Master Software License Agreement dated as of May 17, 2000 By and Between Guarantor and BP America Inc.

Master Service Agreement dated as of March 12, 2002 By and Between Guarantor and BP America Production Company

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