

1-31-03

01-31-2003

FORM PTO-1594
(Rev 5-93)



U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

102352959

To the Honorable Commissione,

Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): WATCHMARK CORP. 1-31-03</p> <p>Individual(s) citizenship: Association: General Partnership: Limited Partnership: Corporation - State: DELAWARE Other:</p> <p>Additional name(s) of conveying party(ies) attached? [] Yes [X] No</p> <p>3. Nature of Conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other</p> <p>Execution Date: June 12, 2001</p>	<p>2. Name and address of receiving party(ies):</p> <p>Name: COMERICA BANK-CALIFORNIA Successor in interest to IMPERIAL BANK Address: 5330 CARILLON POINT City: KIRKLAND State: WA Zip: 98033</p> <p>Individual(s) citizenship: Association: General Partnership: Limited Partnership: Corporation - State: Other: a California banking corporation</p> <p>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</p>												
<p>4. Application number(s) or trademark number(s):</p> <table border="0"> <tr> <td colspan="3">A. Trademark Application No.(s)</td> <td>B. Trademark Registration No.(s)</td> </tr> <tr> <td>78/188,742</td> <td>78/188,746</td> <td>78/188,745</td> <td></td> </tr> <tr> <td>78/188,739</td> <td>78/188,750</td> <td></td> <td></td> </tr> </table> <p style="text-align: center;">Additional numbers attached? [X] Yes [] No</p>		A. Trademark Application No.(s)			B. Trademark Registration No.(s)	78/188,742	78/188,746	78/188,745		78/188,739	78/188,750		
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78/188,742	78/188,746	78/188,745											
78/188,739	78/188,750												
<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Name: Erin O'Brien Internal Address: GRAY CARY WARE & FREIDENRICH 4365 Executive Drive, Suite 1100 San Diego, CA 92121-2133</p>	<p>6 Total number of applications and registrations involved: 5</p> <p>7. Total fee (37 CFR 3.41) \$ 140.00 <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: (Attach duplicate copy of this page if paying by deposit account)</p>												

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

January 30, 2003
Date

Total number of pages comprising cover sheet: [27]

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

01/31/2003 LMUELLER 00000223 78188742
01 FC:8521 40.00 OP
02 FC:8522 100.00 OP

PA\10160885.4
1090371-962200

TRADEMARK
REEL: 002662 FRAME: 0433

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Watchmark Insight	76/082,749	07/03/00
Watchmark Prospect	75/653,352	03/04/99
Watchmark Extreme	75/653,351	03/04/99
Watchmark Design	2,272,804	08/24/99
Watchmark Control	2,250,248	06/01/99
Watchmark Correlate	2,272,803	08/24/99
Watchmark Pilot	2,243,488	05/04/99
Watchmark	2,272,755	08/24/99
Prospectalarm	78/081,318	08/27/01
Control	78/152,976	08/09/02
Control	78/152,979	08/09/02
Control	78/152,980	08/09/02
Curves Design	78/131,616	05/28/02
Curves Design	78/131,619	05/28/02
Curves Design	78/131,621	05/28/02
Curves Design	78/131,623	05/28/02
Curves Design	78/131,625	05/28/02
Insight	78/152,983	08/09/02
Insight	78/152,984	08/09/02
Pilot	78/152,985	08/09/02
Pilot	78/152,986	08/09/02
Prospect	78/152,987	08/09/02
Prospect	78/152,988	08/09/02
Watchmark logo	78/131,615	08/09/02

Gray Cary\PA\10149690.6
1090371-962200

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Watchmark logo	78/131,614	05/28/02
Watchmark logo	78/131,612	05/28/02
Watchmark logo	78/131,611	05/28/02
Watchmark logo	78/131,608	05/28/02
Watchmark	78/188,742	11/25/02
Watchmark	78/188,746	11/25/02
Watchmark	78/188,745	11/25/02
Watchmark	78/188,739	11/25/02
Watchmark	78/188,750	11/25/02

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of June 7, 2001 by and between IMPERIAL BANK ("Bank") and WATCHMARK CORP., a Delaware corporation ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodations 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 of even date herewith (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 and Patents 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 and under all other agreements now existing or hereafter arising between Grantor and Bank, 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.

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.

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 cause this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

WATCHMARK CORP.

Address of Grantor:

13431 NE 20th Street
Bellevue, WA 98005

Attn: Chief Financial Officer

By: 

Title: Chief Financial Officer

BANK:

IMPERIAL BANK

Address of Bank:

5330 Carillon Point
Kirkland, WA 98033

Attn: Bob Van Nortwick

By: 

Title: VICE PRESIDENT

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
WatchMark Extreme 1.4	Pending	
WatchMark Pilot 1.6	Pending	
WatchMark Prospect 4.4	Pending	
WatchMark Control 3.0	Pending	

EXHIBIT B

Patents

<u>Description</u>	Registration/ Application/ <u>Number</u>	Registration/ Application <u>Date</u>
	08/622,188	03/25/96

Gray Cary\PA\10149690.6
1090371-962200

SILICON VALLEY SAN DIEGO SAN DIEGO/GOLDEN TRIANGLE SAN FRANCISCO AUSTIN SEATTLE SACRAMENTO

RECORDED: 01/31/2003

**TRADEMARK
REEL: 002662 FRAME: 0439**