

06-23-2003



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Form PTO-1594
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TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. 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):
Niksun, Inc.
1100 Cornwall Road
Monmouth Junction, NJ 08852
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Delaware
 Other _____
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Comerica Bank-California
Internal
Address: _____
Street Address: 2701 Renaissance Boulevard
City: King of Prussia State: PA Zip: 19406
 Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other 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 No

RECEIVED
2003 JUN 23 11:11:03
ASSIGNMENTS

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____
Execution Date: 04/30/2003

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) 78/027,444
(See Exhibit C)
B. Trademark Registration No.(s) 2,379,794;
2,493,955 (See Exhibit C)
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Paula T. Bradley, Paralegal
Internal Address: McCausland, Keen & Buckman
Street Address: 259 N. Radnor-Chester Road,
Radnor Court, Suite 160
City: Radnor State: PA Zip: 19087

6. Total number of applications and registrations involved: 3
7. Total fee (37 CFR 3.41).....\$ 90.00
 Enclosed
 Authorized to be charged to deposit account
8. Deposit account number:
Not Applicable

06/23/2003 00000173 78027444
01 FC:8521 40.00 UP
02 FC:8522 50.00 DP

DO NOT USE THIS SPACE

9. Signature. Paula T. Bradley, Paralegal
Name of Person Signing
Signature
Date May 29, 2003
Total number of pages including cover sheet, attachments, and document: 7

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

TRADEMARK
REEL: 002760 FRAME: 0922

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of April 30, 2003 by and between COMERICA BANK-CALIFORNIA ("Bank") and NIKSUN, INC., a Delaware corporation ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend a certain Revolving Facility 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).

B. 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.

C. 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 and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Documents, 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 Exhibits 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 material 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.

Pursuant to the terms of the Loan and Security Agreement, at such time as Borrower has reported two (2) consecutive quarters of profitability, this Intellectual Property Security Agreement shall terminate and the security interest herein granted shall be released by Bank.

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:

1100 Cornwall Road
Monmouth Junction, NJ 08852

Attn: Satish Pruthi

NIKSUN, INC.

By: *S. Pruthi*

Title: CEO/COO

BANK:

COMERICA BANK-CALIFORNIA

Address of Bank:

Comerica Bank-California
Commercial Loan Services Department
9920 S. La Cienega Blvd., 14th Floor
Inglewood, CA 90301

Attn: Loan Documentation

By: *Kathleen W. Coriello*

Title: First Vice President

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.


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Attn: Loan Documentation

By: 

Title: First Vice President

EXHIBIT A

Copyrights

Description

Software and accompanying documentation for Niksun Net VCR

Software and accompanying documentation for Niksun NetDetector

Software and accompanying documentation for Niksun NetX

Software and accompanying documentation for Niksun NetExperts

Software and accompanying documentation for Niksun Mercury API

Software and accompanying documentation for Niksun NetReporter

None of the scheduled copyrights have been registered with the U. S. Copyright Office or in any jurisdiction outside of the United States.

EXHIBIT B

Patents

Description

A PCT Application (International Application No. PCT/US01/15601) entitled SECURITY CAMERA FOR A NETWORK, claiming priority from U.S. provisional patent application Serial No. 60/203,652 (filed May 12, 2000), was filed on May 12, 2001, with the United States Patent and Trademark Office in the name of Parag Pruthi. Corresponding national stage applications claiming priority of the above PCT Application are pending in the following countries/regions: Singapore, India, European Regional Phase, Japan, United States.

A PCT Application (International Application No. PCT/US99/27969) entitled APPARATUS AND METHOD FOR COLLECTING AND ANALYZING COMMUNICATION DATA, claiming priority from U.S. provisional patent application Serial No. 60/109,7-18 (filed November 24, 1998), was filed on November 23, 1999, with the United States Patent and Trademark Office in the name of Parag Pruthi and Andrew Heybey. Corresponding national stage applications claiming priority of the above PCT Application are pending in the following countries/regions: South Africa, United Kingdom, Singapore, Israel, Australia, Finland, India, Brazil, Korea, European Regional Phase, Sweden, Germany, Mexico, Japan, China, United States, Canada.

Notwithstanding the fact that the inventors are individual and that one or more applications may have been filed in the name of such individuals in order to comply with filing formalities in certain countries in which the applications have been or will be filed, the Company is the sole owner (subject to possible claims of third parties which claims are unknown to the Company and its officers, directors, employees and attorneys) of all right, title and interest to the intellectual property that is the subject of the foregoing patent applications, and the patent applications themselves. (The term "third parties" as used in the preceding sentence means Persons other than (i) the Company and its directors, officers and employees and individuals related by blood, marriage or adoption to any such directors, officers or employees and (ii) for each Person identified in Section (i), (a) each of its affiliates, (b) each entity in which such Person has a direct or indirect beneficial interest and (c) any trust established directly or indirectly by or for the benefit of such Person.)

EXHIBIT C

Trademarks

1. U.S. Trademarks.

Description

The Mark NETVCR was registered (Registration No. 2,379,794) with the United States Patent and Trademark office on August 22, 2000.

The Mark NIKSUN was registered (Registration No. 2,493,955) with the United States Patent and Trademark office on October 2, 2001.

A U.S. Trademark application for the Mark NETDETECTOR (Application Serial No. 78/027,444) was filed on September 25, 2000 on behalf of Niksun, Inc., a Delaware Corporation. A Notice of Allowance was issued by the U. S. Patent and Trademark Office on May 21, 2002, and Niksun, Inc. filed a Statement of Use on November 20, 2002. The Statement of Use has been accepted by the U. S. Patent and Trademark Office and the mark should register in due course.

2. Foreign Trademarks.

Description

A European Trademark application for the Mark NIKSUN was filed on May 17, 2000 claiming priority of November 17, 1999. An opposition has been filed with respect to the mark and Niksun's efforts to obtain the registration of the mark are ongoing.

A European Trademark application for the Mark NETVCR was filed on May 17, 2000 claiming priority of November 17, 1999. The mark was registered on September 24, 2001.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of April 30, 2003 by and between COMERICA BANK-CALIFORNIA ("Bank") and NIKSUN, INC., a Delaware corporation ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend a certain Revolving Facility 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).

B. 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.

C. 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 and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

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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 material 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.

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Monmouth Junction, NJ 08852

Attn: Satish Pruthi

GRANTOR:

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By: *S. Pruthi*

Title: CEO/CFO

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COMERICA BANK-CALIFORNIA

By: *Kathleen W. Coriello*

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Notwithstanding the fact that the inventors are individual and that one or more applications may have been filed in the name of such individuals in order to comply with filing formalities in certain countries in which the applications have been or will be filed, the Company is the sole owner (subject to possible claims of third parties which claims are unknown to the Company and its officers, directors, employees and attorneys) of all right, title and interest to the intellectual property that is the subject of the foregoing patent applications, and the patent applications themselves. (The term "third parties" as used in the preceding sentence means Persons other than (i) the Company and its directors, officers and employees and individuals related by blood, marriage or adoption to any such directors, officers or employees and (ii) for each Person identified in Section (i), (a) each of its affiliates, (b) each entity in which such Person has a direct or indirect beneficial interest and (c) any trust established directly or indirectly by or for the benefit of such Person.)

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