

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Datawatch Corporation		04/20/2006	CORPORATION: DELAWARE
Datawatch Technologies Corporation		04/20/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Silicon Valley Bank
Street Address:	3003 Tasman Drive
City:	Santa Clara
State/Country:	CALIFORNIA
Postal Code:	95054
Entity Type:	CORPORATION: CALIFORNIA

PROPERTY NUMBERS Total: 5

Property Type	Number	Word Mark
Registration Number:	1963783	DATAWATCH
Registration Number:	2471994	QUETZAL/SC
Registration Number:	2627598	VORTEXML
Registration Number:	2593147	VISUAL HELP DESK
Registration Number:	2420571	IMERGENCE

CORRESPONDENCE DATA

Fax Number: (703)415-1557
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 703-415-1555
 Email: mail@specializedpatent.com
 Correspondent Name: Christopher E. Kondracki
 Address Line 1: 2001 Jefferson Davis, Hwy., Suite 1007
 Address Line 4: Arlington, VIRGINIA 22202

CH \$140.00 1963783

ATTORNEY DOCKET NUMBER:	6040120PAT
NAME OF SUBMITTER:	Christopher E. Kondracki
Signature:	/Christopher E. Kondracki/
Date:	05/02/2006

Total Attachments: 10

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "IP Agreement") is made as of the 20th day of April, 2006, by and between **DATAWATCH CORPORATION**, a Delaware corporation with its principal place of business at 271 Mill Road, Quorum Office Park, Chelmsford, Massachusetts 01824-4105, and **DATAWATCH TECHNOLOGIES CORPORATION**, a Delaware corporation with its principal place of business at 271 Mill Road, Quorum Office Park, Chelmsford, Massachusetts 01824-4105 (individually and collectively, "Grantor"), and **SILICON VALLEY BANK**, a California corporation, with its principal place of business at 3003 Tasman Drive, Santa Clara, California 95054 and with a loan production office located at One Newton Executive Park, Suite 200, 2221 Washington Street, Newton, Massachusetts 02462 ("Lender").

RECITALS

A. Lender has agreed to make advances of money and to extend certain financial accommodations to Grantor (the "Loan"), pursuant to a certain Loan and Security Agreement dated as of April 20, 2006 between Grantor and Lender, as amended from time to time (as amended, the "Loan Agreement"). The Loan is secured pursuant to the terms of the Loan Agreement. Lender is willing to enter into certain financial accommodations with Grantor, but only upon the condition, among others, that Grantor shall grant to Lender a security interest in certain Copyrights, Trademarks, Patents, and Mask Works, and other assets, to secure the obligations of Grantor under the Loan Agreement. Defined terms used but not defined herein shall have the same meanings as in the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Lender 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 (as defined therein).

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 Grantor's Indebtedness (as defined below), Grantor hereby represents, warrants, covenants and agrees as follows:

1. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Grantor's present or future indebtedness, obligations and liabilities to Lender (hereinafter, the "Indebtedness"), including, without limitation, under the Loan Agreement, Grantor hereby grants a security interest in all of Grantor's right, title and interest in, to and under its registered and unregistered intellectual property collateral (all of which shall collectively be called the "Intellectual Property Collateral"), including, without limitation, the following:

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished, registered or unregistered, and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on **EXHIBIT A** attached hereto (collectively, the "Copyrights");

(b) Any and all trade secret rights, including any rights to unpatented inventions, know-how, operating manuals, license rights and agreements, and confidential information, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights which may be available to Grantor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the

same, including without limitation the patents and patent applications set forth on EXHIBIT B attached hereto (collectively, the "Patents");

(e) Any trademark and service mark rights, slogans, trade dress, and tradenames, trade styles, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including without limitation those set forth on EXHIBIT C attached hereto (collectively, the "Trademarks");

(f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on EXHIBIT D attached hereto (collectively, the "Mask Works");

(g) Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(h) All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights, including, without limitation those set forth on EXHIBIT E attached hereto (collectively, the "Licenses");

(i) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

(j) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Authorization and Request. Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this IP Agreement, and any amendments thereto, or copies thereof.

3. Covenants and Warranties. Grantor represents, warrants, covenants and agrees as follows:

(a) Grantor shall promptly advise Lender of any material adverse change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Grantor in or to any Trademark, Patent, Copyright, or Mask Work specified in this IP Agreement.

(b) To its knowledge, except for, and upon, the filing of UCC financing statements, or other notice filings or notations in appropriate filing offices, if necessary to perfect the security interests created hereunder, no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental authority or U.S. regulatory body is required either (a) for the grant by Grantor of the security interest granted hereby, or for the execution, delivery or performance of this IP Agreement by Grantor in the U.S. or (b) for the perfection in the United States or the exercise by Lender of its rights and remedies hereunder.

(c) Upon any executive officer of Grantor obtaining actual knowledge thereof, Grantor will promptly notify Lender in writing of any event that materially adversely affects the value of any material Intellectual Property Collateral, the ability of Grantor to dispose of any material Intellectual Property Collateral or the rights and remedies of Lender in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral.

4. Lender's Rights. Lender shall have the right, but not the obligation, to take, at Grantor's sole expense, any actions that Grantor is required under this IP Agreement to take but which Grantor fails to take, after

fifteen (15) days' prior written notice to Grantor. Grantor shall reimburse Lender for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section 4.

5. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Grantor will, upon request by Lender, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademarks Office and the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Lender, to perfect Lender's security interest in all Copyrights, Patents, Trademarks, and Mask Works and otherwise to carry out the intent and purposes of this IP Agreement, or for assuring and confirming to Lender the grant or perfection of a security interest in all Intellectual Property Collateral.

(b) Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor, Lender or otherwise, from time to time in Lender's discretion, upon Grantor's failure or inability to do so, to take any action and to execute any instrument which Lender may deem necessary or advisable to accomplish the purposes of this IP Agreement, including:

(i) To modify, in its sole discretion, this IP Agreement without first obtaining Grantor's approval of or signature to such modification by amending Exhibit A, Exhibit B, Exhibit C, and Exhibit D hereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents, Trademarks or Mask Works acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents, Trademarks, or Mask Works in which Grantor no longer has or claims any right, title or interest; and

(ii) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, or other notice filings or notations in appropriate filing offices, relative to any of the Intellectual Property Collateral, without notice to Grantor, with all appropriate jurisdictions, as Lender deems appropriate, in order to further perfect or protect Lender's interest in the Intellectual Property Collateral.

6. Termination. At such time as Grantor shall completely satisfy all of the obligations secured hereunder, Lender shall execute and deliver to Grantor all releases, terminations, and other instruments as may be necessary or proper to release the security interest hereunder.

7. Course of Dealing. No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

8. Amendments. This IP Agreement may be amended only by a written instrument signed by both parties hereto.

9. Counterparts. This IP 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.

10. Law and Jurisdiction. This IP Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts. GRANTOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COMMONWEALTH OF MASSACHUSETTS IN ANY ACTION, SUIT, OR PROCEEDING OF ANY KIND, AGAINST IT WHICH ARISES OUT OF OR BY REASON OF THIS AGREEMENT; PROVIDED, HOWEVER, THAT IF FOR ANY REASON LENDER CANNOT AVAIL ITSELF OF THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS, GRANTOR ACCEPTS JURISDICTION OF THE COURTS AND VENUE IN SANTA CLARA COUNTY, CALIFORNIA. NOTWITHSTANDING THE FOREGOING, THE LENDER SHALL HAVE

THE RIGHT TO BRING ANY ACTION OR PROCEEDING AGAINST THE GRANTOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION WHICH THE LENDER DEEMS NECESSARY OR APPROPRIATE IN ORDER TO REALIZE ON THE COLLATERAL OR TO OTHERWISE ENFORCE THE LENDER'S RIGHTS AGAINST THE GRANTOR OR ITS PROPERTY.

GRANTOR AND LENDER EACH HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

11. Confidentiality. In handling any confidential information, Lender shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (i) to Lender's subsidiaries or affiliates in connection with their present or prospective business relations with Grantor; (ii) to prospective transferees or purchasers of any interest in the Loans (provided, however, Lender shall use commercially reasonable efforts to obtain such prospective transferee's or purchaser's agreement to the terms of this provision); (iii) as required by law, regulation, subpoena, or other order, (iv) as required in connection with Lender's examination or audit; and (v) as Lender considers appropriate in exercising remedies under this Agreement. Confidential information does not include information that either: (a) is in the public domain or in Lender's possession when disclosed to Lender, or becomes part of the public domain after disclosure to Lender through no breach by Bank of this Section; or (b) is disclosed to Lender by a third party, if Lender reasonably does not know that the third party is prohibited from disclosing the information.

EXECUTED as a sealed instrument under the laws of the Commonwealth of Massachusetts on the day and year first written above.

Address of Grantor:

271 Mill Road
Chelmsford MA 01824

GRANTOR:

DATAWATCH CORPORATION

By: [Signature]
Name: ROBERT W. HAGGER
Title: President, CEO

By: [Signature]
Name: John J. McBURT
Title: Chief Financial Officer

DATAWATCH TECHNOLOGIES CORPORATION

By: [Signature]
Name: ROBERT W. HAGGER
Title: Director

By: [Signature]
Name: John J. McBURT
Title: Finance Director

SILICON VALLEY BANK

By: _____
Name: _____
Title: _____

EXECUTED as a sealed instrument under the laws of the Commonwealth of Massachusetts on the day and year first written above.

Address of Grantor:

GRANTOR:

DATAWATCH CORPORATION

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

DATAWATCH TECHNOLOGIES CORPORATION

By: _____

Name: _____

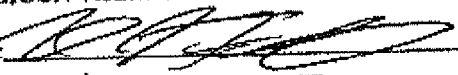
Title: _____

By: _____

Name: _____

Title: _____

SILICON VALLEY BANK

By: 

Name: MICHAEL FELL

Title: RELATIONSHIP MANAGER

Exhibit "A" attached to that certain Intellectual Property Security Agreement dated April 20, 2006.

EXHIBIT "A"

COPYRIGHTS- DATAWATCH CORPORATION

SCHEDULE A - ISSUED COPYRIGHTS

<u>COPYRIGHT DESCRIPTION</u>	<u>REGISTRATION NUMBER</u>	<u>DATE OF ISSUANCE</u>
Monarch Pro: V6	TX-6.099.265	12/23/04
Monarch V6	TX-6.263.795	12/23/04

SCHEDULE B - PENDING COPYRIGHT APPLICATIONS

<u>FIRST DATE COPYRIGHT DESCRIPTION</u>	<u>APPLICATION NUMBER</u>	<u>DATE OF FILING</u>	<u>DATE OF CREATION</u>	<u>OF PUBLIC DISTRIBUTION</u>
None				

COPYRIGHTS- DATAWATCH TECHNOLOGIES CORPORATION

SCHEDULE A - ISSUED COPYRIGHTS

<u>COPYRIGHT DESCRIPTION</u>	<u>REGISTRATION NUMBER</u>	<u>DATE OF ISSUANCE</u>
None		

SCHEDULE B - PENDING COPYRIGHT APPLICATIONS

<u>FIRST DATE COPYRIGHT DESCRIPTION</u>	<u>APPLICATION NUMBER</u>	<u>DATE OF FILING</u>	<u>DATE OF CREATION</u>	<u>OF PUBLIC DISTRIBUTION</u>
None				

Exhibit "B" attached to that certain Intellectual Property Security Agreement dated April 20, 2006.

EXHIBIT "B"

PATENTS- DATAWATCH CORPORATION

<u>PATENT</u> <u>DESCRIPTION</u>	<u>DOCKET NO.</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>FILING DATE</u>	<u>STATUS</u>
DWS-001PC	2006101-0005	PCT	WO 2005/098683	4/4/2005	Published
DWS-001	2006106-0002	USA	11/097,957	4/1/2005	Published
DWS-002	2006106-0006	USA	11/096,713	4/1/2005	Published

PATENTS- DATAWATCH TECHNOLOGIES CORPORATION

<u>PATENT</u> <u>DESCRIPTION</u>	<u>DOCKET NO.</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>FILING DATE</u>	<u>STATUS</u>
None					

Exhibit "C" attached to that certain Intellectual Property Security Agreement dated April 20, 2006.

EXHIBIT "C"

TRADEMARKS- DATAWATCH CORPORATION

<u>TRADEMARK DESCRIPTION</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>REG. NO.</u>	<u>STATUS</u>
DATAWATCH	Canada	1,103,488	566,659	Registered
DATAWATCH	European Community	210,476	210,476	Registered
DATAWATCH	United States	74/553,269	1,963,783	Registered
Q-BROWSER	Australia	752,268	752,268	Registered
Q-BROWSER	European Community	547,323	547,323	Registered
Q-FLOW	Australia	744,567	744,567	Registered
Q-FLOW	Canada	873,647	528,267	Registered
Q-FLOW	European Community	633,834	633,834	Registered
QUETZAL/SC	Australia	821,537	821,537	Registered
QUETZAL/SC	United States	75,580,763	2,471,994	Registered
VORTEXML DESIGN	United States	76/208,512	2,627,598	Registered
VORTEXML DESIGN	Australia	873,785	873,875	Registered
VORTEXML DESIGN	Canada	1,100,922	596,715	Registered
VORTEXML DESIGN	European Community	2,192,961	2,192,961	Registered
VISUAL HELP DESK	United States	75/889,507	2,593,147	Registered

TRADEMARKS- DATAWATCH CORPORATION

<u>TRADEMARK DESCRIPTION</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>REG. NO.</u>	<u>STATUS</u>
IMERGENCE	United States	75/634,058	2,420,571	Registered

Exhibit "D" attached to that certain Intellectual Property Security Agreement dated April 20, 2006.

EXHIBIT "D"

MASK WORKS- DATAWATCH CORPORATION

<u>MASK WORK</u>				
<u>DESCRIPTION</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>REG. NO.</u>	<u>STATUS</u>

None

MASK WORKS- DATAWATCH TECHNOLOGIES CORPORATION

<u>MASK WORK</u>				
<u>DESCRIPTION</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>REG. NO.</u>	<u>STATUS</u>

None