

07-20-2006

FORM PTO-1594  
(Rev. 07/05)  
OMB No. 0651-0027 (exp. 06/30/2008)



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

103277944

To the Director of the U.S. Patent

... record the attached documents or the new address(es) below.

7-19-06

**1. Name of conveying party(ies):**

Silicon Valley Bank  
3003 Tasman Dr. HF-154  
Santa Clara, CA 95054

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

Additional name(s) of conveying parties attached?  Yes  No

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

Additional name(s) of conveying parties attached?  Yes  No

Name: **Arcsoft Inc**  
 Internal Address  
 Street Address: **46601 Fremont Blvd**  
 City: **Fremont**  
 State: **CA**  
 Country: **US**  
 Zip: **94538**

- Association Citizenship
- General Partnership Citizenship
- Limited Partnership Citizenship
- Corporation Citizenship
- Other Citizenship

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)

OFFICE OF THE U.S. PATENT AND TRADEMARK OFFICE  
FINANCE SECTION  
273 JUL 19 PM 12:35

**3. Nature of conveyance/ Execution Date(s):**

Execution Date(s): 07/12/2006

- Assignment
- Security Agreement
- Merger
- Change of Name

Other: **RELEASE**

**4. Application number(s) or registration number(s) and identification or description of the Trademark:**

A. Trademark Application No.(s)

B. Trademark Registration No.(s)  
**2,553,204**

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

Additional sheets attached?  Yes  No

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

Name: **Silicon Valley Bank**  
 Internal Address: **Loan Collateral HF154**  
 Street Address: **3003 Tasman Dr.**  
 City: **Santa Clara** State: **CA** ZIP: **95054**  
 Phone Number: **(408) 654-4042**  
 Fax Number: **(408) 654-6313**  
 Email Address: **ldc@svbank.com**

**6. Total number of applications and registrations involved: 1**

**7. Total fee (37 CFR 2.6 (b)(6) & 3.41): \$ 40.00**  
 Authorized to be charged by credit card  
 Authorized to be charged to deposit account  
 Enclosed

**8. Payment Information:**

a. Credit Card Last 4 Numbers  
Expiration Date

b. Deposit Account Number  
Authorized User Name

**9. Signature.**

*Lana Lowe*  
Signature

7-12-2006

Date

07/20/2006 00000019 2553204

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Lana Lowe  
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 10

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:

**TRADEMARK**  
**REEL: 003369 FRAME: 0446**

PARTIAL RELEASE OF SECURITY AGREEMENT COVERING  
INTERESTS IN TRADEMARKS

Silicon Valley Bank ("Secured Party"), hereby partially releases its security interest in the interests of Arcsoft Inc. ("Assignor") in the trademarked works set forth in that certain Intellectual Property And Security Agreement dated, July 29, 2004, executed by ("Assignor") in favor of Secured Party recorded with the United States Department of Commerce, Patent and Trademark Office on August 17, 2004, Reel 3028, Frame 0643.

Trademark to be Released:

2,553,204

Dated: July 12, 2006

SILICON VALLEY BANK

By: Maribel Higareda  
Name: Maribel Higareda  
Title: Operations Supervisor

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "IP Agreement") is made as of the 29th day of July, 2004, by and between ArcSoft, Inc., a California corporation ("Grantor"), and Silicon Valley Bank, a California banking corporation ("Bank").

## RECITALS

A. Bank will make credit extensions to Grantor as described in the Loan and Security Agreement (the "Loan Agreement") dated the Effective Date, but only if Grantor grants Bank a security interest in its Copyrights, Trademarks and Patents. Capitalized 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 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 Grantor's Indebtedness under the Loan Agreement, 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 Bank, Grantor hereby grants a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property (all of which shall collectively be called the "Intellectual Property Collateral"), including, without limitation, the following:

(a) Any and all Copyrights, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto;

(b) Any and all trade secrets, 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) Any and all Patents, including without limitation the patents and patent applications set forth on Exhibit B attached hereto;

(e) Any and all Trademarks, including without limitation those set forth on Exhibit C attached hereto;

(f) 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;

(g) All licenses or other rights to use any of the Copyrights, Patents and Trademarks and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(h) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks and Patents; and

(i) 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.

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

(a) Grantor is now the sole owner of the Intellectual Property Collateral, except for Permitted Liens.

(b) Performance of this IP Agreement does not conflict with or result in a breach of any IP Agreement to which Grantor is bound, except to the extent that certain intellectual property agreements prohibit the assignment of the rights thereunder to a third party without the licensor's or other party's consent and this IP Agreement constitutes a security interest.

(c) During the term of this IP Agreement, Grantor will not transfer or otherwise encumber any interest in the Intellectual Property Collateral, except for Permitted Liens.

(d) To its knowledge, each of the Patents is valid and enforceable, and no material part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Intellectual Property Collateral violates the rights of any third party except for any such claim that would not be expected to result in a Material Adverse Change.

(e) Grantor shall promptly advise Bank 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 or Copyright specified in this IP Agreement.

(f) Grantor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights which are material to the Grantor's business, (ii) use commercially reasonable efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Bank in writing of material infringements detected and (iii) not allow any Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Bank, which shall not be unreasonably withheld, unless Grantor determines that reasonable business practices suggest that abandonment is appropriate.

(g) Grantor shall not register any Copyrights with the United States Copyright Office unless it: (i) has given at least fifteen (15) days' prior notice to Bank of its intent to register such Copyrights and has provided Bank with a copy of the application it intends to file with the United States Copyright Office (excluding exhibits thereto); (ii) executes a security agreement or such other documents as Bank may reasonably request in order to maintain the perfection and priority of Bank's security interest in the Copyrights proposed to be registered with the United States Copyright Office; and (iii) records such security documents with the United States Copyright Office contemporaneously with filing the Copyright application(s) with the United States Copyright Office. Grantor shall promptly provide to Bank a copy of the Copyright application(s) filed with the United States Copyright Office, together with evidence of the recording of the security documents necessary for Bank to maintain the perfection and priority of its security interest in such Copyrights. Grantor shall provide written notice to Bank of any application filed by Grantor in the United States Patent Trademark Office for a patent or to register a trademark or service mark within 30 days of any such filing.

(h) This IP Agreement creates, and in the case of after acquired Intellectual Property Collateral, this IP Agreement will create at the time Grantor first has rights in such after acquired Intellectual Property Collateral, in favor of Bank a valid and perfected first priority security interest in the Intellectual Property Collateral in the United States securing the payment and performance of the obligations evidenced by the Loan Agreement upon making the filings referred to in clause (i) below.

(i) To its knowledge (except for, and upon, the filing of financing statements under the Code with the Secretary of State of the State of Delaware, the filing with the United States Patent and Trademark office with respect to the Patents and Trademarks and the Register of Copyrights with respect to the Copyrights necessary to perfect the security interests created hereunder, and except as has been already made or obtained) no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental authority of U.S. regulatory body is required either (x) 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 (y) for the perfection in the United States or the exercise by Bank of its rights and remedies thereunder.

(j) All information heretofore, herein or hereafter supplied to Bank by or on behalf of Grantor with respect to the Intellectual Property Collateral is accurate and complete in all material respects.

(k) Grantor shall not enter into any agreement that would materially impair or conflict with Grantor's obligations hereunder without Bank's prior written consent, which consent shall not be unreasonably withheld.

(l) Upon any executive officer of Grantor obtaining actual knowledge thereof, Grantor will promptly notify Bank 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 Bank in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral.

4. Bank's Rights. Bank 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. Grantor shall reimburse and indemnify Bank for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section 4.

5. Intentionally Omitted.

6. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Grantor will, 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 Bank, to perfect Bank's security interest in all Copyrights, Patents and Trademarks and otherwise to carry out the intent and purposes of this IP Agreement, or for assuring and confirming to Bank the grant or perfection of a security interest in all Intellectual Property Collateral.

(b) Grantor hereby irrevocably appoints Bank as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor, Bank or otherwise, from time to time in Bank's discretion, upon Grantor's failure or inability to do so, to take any action and to execute any instrument which Bank 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, relative to any of the Intellectual Property Collateral without the signature of Grantor where permitted by law.

7. Events of Default. An "Event of Default" under the Loan Agreement shall constitute an Event of Default under this IP Agreement.

8. Remedies. Upon the occurrence and continuance of an Event of Default, Bank shall have the right to exercise all the remedies of a secured party under the Code, including without limitation the right to require Grantor to assemble the Intellectual Property Collateral and any tangible property in which Bank has a security interest and to make it available to Bank at a place designated by Bank. Bank shall have a nonexclusive, royalty free license to use the Copyrights, Patents, Trademarks, and Mask Works to the extent reasonably necessary to permit Bank to exercise its rights and remedies upon the occurrence of an Event of Default. Grantor will pay any expenses (including reasonable attorneys' fees) incurred by Bank in connection with the exercise of any of Bank's rights hereunder, including without limitation any expense incurred in disposing of the Intellectual Property Collateral. All of Bank's rights and remedies with respect to the Intellectual Property Collateral shall be cumulative.

9. Reassignment. At such time as Grantor shall completely satisfy all of the obligations secured hereunder, Bank shall execute and deliver to Grantor all lien releases and other instruments as may be necessary or proper to release and evidence the termination of the security interest granted to Bank hereunder, subject to any disposition thereof which may have been made by Bank pursuant hereto.

10. Indemnification. Section 12.2, Indemnification, of the Loan Agreement is hereby incorporated in this IP Agreement by reference herein.

11. 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.

12. Attorneys' Fees. If any action relating to this IP Agreement is brought by either party hereto against the other party, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements.

13. Amendments. Subject to Section 6(b)(i) above, this IP Agreement may be amended only by a written instrument signed by both parties hereto.

14. 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.

15. Law and Jurisdiction. This IP Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard for choice of law provisions. Grantor and Bank consent to the nonexclusive jurisdiction of any state or federal court located in Santa Clara County, California.

16. Confidentiality. In handling any confidential information, Bank will exercise the same degree of care that it exercises for its own proprietary information (which shall be no less than reasonable care), but disclosure of information may be made (a) to Bank's subsidiaries or affiliates in connection with their business with Grantor, (b) to prospective transferees or purchasers of any interest in the loans, provided that Bank shall not transfer any interest in the loans to any person who directly competes with Grantor, (c) as required by law, regulation, subpoena, or other order, (d) as required in connection with Bank's field examinations or audits, and (e) as Bank considers appropriate in exercising remedies under this IP Agreement or the Loan Agreement. Confidential information does not include information that either: (x) is in the public domain or in Bank's possession when disclosed to Bank, or becomes part of the public domain after disclosure to Bank through no fault of Bank, or (y) is disclosed to Bank by a third party, if Bank does not know that the third party is prohibited from disclosing the information.

[Signature page follows.]



IN WITNESS WHEREOF, the parties hereto have executed this IP Agreement on the day and year first above written.

**Address of Grantor:**

46601 Fremont Blvd.  
Fremont, CA 94538

**GRANTOR:**

ArcSoft, Inc.

By: 

Name: ALFRED V. LAFFENDAGA

Title: SVP + CFO

**BANK:**

Silicon Valley Bank

By: 

Name: Tim Walsh

Title: Senior VP

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