

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "Agreement") is entered into as of July 9, 2007 by and between SILICON VALLEY BANK ("Bank") and LIVESCRIBE, INC. ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation 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 the Effective Date (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, Patents, and Mask Works 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, 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, trademarks and mask works listed on Schedules A, B, C, and D 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 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.

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:

Address of Grantor:

LIVESCRIBE, INC.

7677 Oakport Street, 12th Floor
Oakland, CA 94621

Attn: REA CUCAROW

By: 

Title: Chief Financial Officer

BANK:

SILICON VALLEY BANK

Address of Bank:

4420 Rosewood Drive,
Building 2, Suite 2540
Pleasanton, California 94588
Attn: Mark Harris

By: _____

Title: _____

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:

Address of Grantor:

LIVESCRIIBE, INC.

7677 Oakport Street, 12th Floor
Oakland, CA 94621

Attn: _____

By: _____

Title: _____

BANK:

Address of Bank:

SILICON VALLEY BANK

4420 Rosewood Drive,
Building 2, Suite 2540
Pleasanton, California 94588
Attn: Mark Harris

By: MSJ

Title: Regional Sales Manager

EXHIBIT A

Copyrights - None

Description

Registration/
Application
Number

Registration/
Application
Date

EXHIBIT B

Patents

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Enhanced Audio Recording for Smart Pen Computing Systems	Serial No. 60/940,661	29 May 2007
Binaural Recording for Smart Pen Computing Systems	Serial No. 60/940,662	29 May 2007
Cyclical Creation, Transfer, and Enhancement of Multi-Modal Information Between Paper Domains	Serial No. 60/940,663	29 May 2007
Multi-Modal Smart Pen Computing System	Serial No. 60/940,665	29 May 2007
Animation of Audio Ink	Serial No. 60/940,667	29 May 2007
Communicating Audio and Writing Using a Smart Pen Computing System	Serial No. 60/940,668	29 May 2007
Customer Authoring Tools for Creating User-Generated Content for Smart Pen Applications	Serial No. 60/940,669	29 May 2007
Self-Addressing Paper	Serial No. 60/940,671	29 May 2007
Electronic Annotation of Documents with Preexisting Content	Serial No. 60/940,672	29 May 2007
Organization of User Generated Content Captured by a Smart Pen Computing System	Serial No. 60/940,674	29 May 2007
Audio Velocity – Multi Media Liking Device and Method	U.S. Patent No. 6,529,920 ✓	4 March 2003

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
LIVESCRIBE	77184854	18-May-2007
Turn Your Paper On	77184869	18 May 2007
Paper Replay	77192358	29 May 2007
Pulse	77184902	18 May 2007

EXHIBIT D

Mask Works - None

Description

Registration/
Application
Number

Registration/
Application
Date