

04-24-2001

J.S. PATENT AND TRADEMARK OFFICE

Docket No. 14052.0000



SHAW PITTMAN  
MARK RECORDATION FORM COVER SHEET

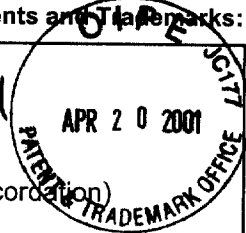
101684662

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID # \_\_\_\_\_
- Correction of PTO Error  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_
- Corrective Document  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

MPD  
4.20.01



Conveyance Type

- Assignment
- Security Agreement
- Merger
- Change of Name
- Other \_\_\_\_\_
- License
- Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year \_\_\_\_\_

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year  
04 12 2001

Name GoodHome, LLC

Formerly \_\_\_\_\_

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other Limited Liability Company
- Citizenship/State of Incorporation/Organization Delaware

Receiving Party

Mark if additional names of receiving parties attached

Name Rhodes GoodHome, LLC

DBA/AKA/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 5200 Cammack Drive

Address (line 2) \_\_\_\_\_

Address (line 3) Bethesda

City

Maryland

State/Country

20816

Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other Limited Liability Company
- Citizenship/State of Incorporation/Organization Delaware

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name \_\_\_\_\_

Address (line 1) \_\_\_\_\_

Address (line 2) \_\_\_\_\_

Address (line 3) \_\_\_\_\_

Address (line 4) \_\_\_\_\_

**Correspondent Name and Address**

Area Code and Telephone Number

202-663-8000

Name P.L. Singleton, Jr.

Address (line 1) 2300 N Street, NW

Address (line 2) Washington, D.C. 20037-1128

Address (line 3) \_\_\_\_\_

Address (line 4) \_\_\_\_\_

**Pages** Enter the total number of pages of the attached conveyance document including any attachments. # 25

**Trademark Application Number(s) or Registration Number(s)**  Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

75224443

75892176

75729872

2107961

2138767

2418765

75749101

75697422

2351615

**Number of Properties** Enter the total number of properties involved. # 9

**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41): \$ \$ 240.00

Method of Payment: Enclosed  Deposit Account

Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: # 19-1565

Authorization to charge additional fees: Yes  No

**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. Charges to deposit account are authorized, as indicated herein.

P.L. Singleton, Jr.

Name of Person Signing

Signature

4/20/01

Date Signed

SHAW PITTMAN  
TRADEMARK RECORDATION FORM COVER SHEET CONTINUATION

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

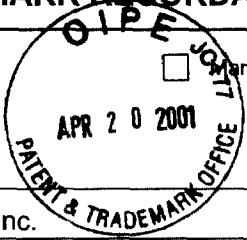
Execution Date

Month Day Year  
04 12 2001

Name Scene7, Inc.

Formerly GoodHome, Inc.

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other
- Citizenship/State of Incorporation/Organization Delaware



Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual
  - General Partnership
  - Limited Partnership
  - Corporation
  - Association
  - Other
  - Citizenship/State of Incorporation/Organization
- If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Trademark Application Number(s)			Registration Number(s)		
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## SECURITY AGREEMENT

**THIS SECURITY AGREEMENT** is made as of April 12, 2001, by and among GoodHome, LLC, a Delaware Limited Liability Company, Scene7, Inc., a Delaware Corporation (formerly GoodHome, Inc.), and Rhodes GoodHome, LLC, a Delaware Limited Liability Company, as a Lender and as Collateral Agent for the Lenders party to the Loan Agreement referenced below (the "Lead Lender" or the "Collateral Agent"). (For purposes of this Security Agreement, the term "Company" shall mean GoodHome, LLC, Scene 7, Inc. or the Continuing Corporation, as such term is defined in the Fifth Amended and Restated Limited Liability Company Agreement of GoodHome, LLC, dated as of September 1, 2000.)

### WITNESSETH:

**WHEREAS**, the Lead Lender Hearst Communications, Inc., Halpern Denny Fund III, L.P., Chatham Hill Investment Partnership, Ltd., Weston Presidio Capital III, L.P., WPC Entrepreneur Fund, L.P. and Douglas Mack (collectively, the "Lenders"), have entered into an Intercreditor Agreement dated as of April 18, 2001 (the "Intercreditor Agreement"), whereby the Lenders have appointed the Lead Lender as the Collateral Agent for the Lenders for the purposes of such agreement and this Agreement; and

**WHEREAS**, the Company shall issue a convertible promissory note dated April 18, 2001 in favor of each of the Lenders (the "Bridge Notes"), evidencing loans to be made by each of the Lenders to the Company pursuant to a Note and Warrant Purchase Agreement, dated April 18, 2001 (the "Loan Agreement"), by and between the Company and each of the Lenders which is to be secured by this Agreement; and

**WHEREAS**, pursuant to the Loan Agreement, the Company is obligated to execute and deliver this Agreement to the Collateral Agent, on behalf of the Lenders;

**NOW, THEREFORE**, in consideration of the premises and in order to secure the obligations of the Company under the Bridge Note, the Company agrees with the Collateral Agent as follows:

### SECTION 1. DEFINED TERMS

#### 1.1 Definitions.

(a) Unless otherwise defined herein, capitalized terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement. All other terms used and not defined herein or in the Loan Agreement shall have the meanings assigned to such terms in the California UCC.

(b) The following terms shall have the following meanings:

"Agreement" means this Security Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

“Bridge Notes” shall have the meaning set forth in the recitals hereto.

“Business Day” means a day other than a Saturday, Sunday or other day on which the commercial banks in California are authorized or required by law to close.

“California UCC” means the Uniform Commercial Code as in effect from time to time in the State of California.

“Capital Stock” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants or options to purchase any of the foregoing.

“Collateral” shall have the meaning set forth in Section 2.

“Collateral Account” means any collateral account established by the Collateral Agent as provided in Section 5.1 or 5.4.

“Copyrights” means (i) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished (including, without limitation, those listed in the Schedule of Assets), all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, and (ii) the right to obtain all renewals thereof.

“Copyright Licenses” means any written agreement naming the Company as licensor or licensee (including, without limitation, those listed in Schedule of Assets), granting any right under any Copyright, including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright.

“Default” means any event that, with the giving of notice or lapse of time (or both), would be an Event of Default.

“Deposit Account” shall have the meaning set forth in the Uniform Commercial Code of any applicable jurisdiction and, in any event, including, without limitation, any demand, time, savings, passbook or like account maintained with a depository institution.

“Event of Default” shall have the meaning set forth in the Bridge Notes.

“General Intangibles” means all “general intangibles” as such term is defined in Section 9-106 of the California UCC and, in any event, including, without limitation, with respect to the Company, all contracts, agreements, instruments and indentures in any form, and portions thereof, to which the Company is a party or under which the Company has any right, title or interest or to which the Company or any property of the Company is subject, as the same may from time to time be amended, supplemented or otherwise modified, including, without limitation, (i) all rights of the Company to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of the

Company to damages arising thereunder, and (iii) all rights of the Company to perform and to exercise all remedies thereunder, in each case to the extent the grant by the Company of a security interest pursuant to this Agreement in its right, title and interest in such contract, agreement, instrument or indenture is not prohibited by such contract, agreement, instrument or indenture without the consent of any other party thereto, would not give any other party to such contract, agreement, instrument or indenture the right to terminate its obligations thereunder, or is permitted with consent if all necessary consents to such grant of a security interest have been obtained from the other parties thereto (it being understood that the foregoing shall not be deemed to obligate the Company to obtain such consents); provided, that the foregoing limitation shall not affect, limit, restrict or impair the grant by the Company of a security interest pursuant to this Agreement in any Receivable or any money or other amounts due or to become due under any such contract, agreement, instrument or indenture.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Intellectual Property” means, collectively, all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks and the Trademark Licenses, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

“Investment Property” means all “investment property” as such term is defined in Section 9-115 of the California UCC.

“Issuers” means, collectively, each issuer of any Investment Property.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any financing leases having substantially the same economic effect as any of the foregoing).

“Loan Agreement” shall have the meaning set forth in the recitals hereto.

“Loan Documents” means, collectively, this Agreement, the Loan Agreement, the Bridge Notes, the Intercreditor Agreement, and any other agreements relating to the Bridge Notes.

“Patents” means (i) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof and all goodwill associated therewith, including, without limitation, any of the foregoing referred to in the Schedule of Assets, (ii) all applications, including provisional applications, for letters patent of the United States or any other country and all divisions, continuations and

continuations-in-part thereof, including, without limitation, any of the foregoing referred to in the Schedule of Assets, and (iii) all rights to obtain any reissues or extensions of the foregoing.

“Patent License” means all agreements, whether written or oral, providing for the grant by or to the Company of any right to manufacture, use or sell any invention covered in whole or in part by a Patent, including, without limitation, any of the foregoing referred to in the Schedule of Assets.

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“Proceeds” means all “proceeds” as such term is defined in Section 9-306(1) of the California UCC and, in any event, shall include, without limitation, all dividends or other income from the Investment Property, collections thereon or distributions or payments with respect thereto.

“Receivable” means any right to payment for goods sold or leased or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper and whether or not it has been earned by performance (including, without limitation, any Account).

“Requirement of Law” means as to any Person, the Certificate of Incorporation and bylaws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Secured Obligations” means, collectively, the unpaid principal and interest under the Bridge Notes and all other obligations and liabilities (including, without limitation, interest accruing at the then applicable rate provided in the Bridge Notes after the maturity of the Bridge Notes and interest accruing at the then applicable rate provided in the Bridge Notes after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Company, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), of the Company to the Lenders whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with any Loan Document or any other document made, delivered or given in connection therewith, in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise.

“Securities Act” means the Securities Act of 1933, as amended.

“Trademarks” means (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all

applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, including, without limitation, any of the foregoing referred to in the Schedule of Assets, and (ii) the right to obtain all renewals thereof.

“Trademark License” means any agreement, whether written or oral, providing for the grant by or to the Company of any right to use any Trademark, including, without limitation, any of the foregoing referred to in the Schedule of Assets.

## 1.2 Other Definitional Provisions

(a) The words “hereof,” “herein,” “hereto” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

## SECTION 2. GRANT OF SECURITY INTEREST

The Company hereby grants to the Collateral Agent, a security interest in the Collateral, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations. “Collateral,” as used herein, means all of the Company’s now existing or hereafter arising right, title and interest in and to its now existing or hereinafter acquired personal property, including the following:

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Deposit Accounts;
- (d) all Documents;
- (e) all Equipment;
- (f) all General Intangibles;
- (g) all Instruments;
- (h) all Intellectual Property;
- (i) all Inventory;
- (j) all Investment Property;



- (k) all other property not otherwise described above;
- (l) all books and records pertaining to the Collateral; and
- (m) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing.

Notwithstanding the foregoing, the Collateral hereunder (i) has not included and shall not include any trademark application that is at the "intent to use stage" if and to the extent that a security interest therein would adversely affect such application or the related trademark and (ii) does and shall include all trademark applications (including but not limited the specific applications referenced in clause (i) of this sentence) with respect to which a statement of use has been filed or is hereafter filed.

Also notwithstanding the foregoing, the security interest shall not extend to and the term "Collateral" shall not include (i) any property, rights or licenses to the extent the granting of a security interest therein would be contrary to applicable law or (ii) any rights under any license agreement where such license agreement would be terminable by the counterparty thereto if the Company's interest therein were subject to the security interest created hereby (but only to the extent such right to terminate is enforceable under applicable law).

### SECTION 3. REPRESENTATIONS AND WARRANTIES

To induce each of the Lenders to enter into the Loan Agreement and to give the loans to the Company thereunder, the Company hereby represents and warrants to each of the Lenders and the Collateral Agent that:

3.1 Chief Executive Office. On the date hereof, the Company is organized in Delaware and the Company's chief executive office is located at 899 Northgate Drive, San Rafael, California.

3.2 Inventory and Equipment. On the date hereof, the material portions of the Company's Inventory and the Equipment (other than mobile goods including but not limited to computer equipment) are kept at 899 Northgate Drive, San Rafael, California and 3030 Saturn Street, Brea, California.

### SECTION 4. COVENANTS.

The Company covenants and agrees with each of the Lenders and the Collateral Agent that, from and after the date of this Agreement until the Secured Obligations shall have been paid in full:

4.1 Delivery of Instruments, Certificated Securities and Chattel Paper. In the case of an Event of Default only, if any amount payable under or in connection with any of the Collateral shall be or become evidenced by any Instrument, Certificated Security or Chattel Paper, such Instrument, Certificated Security or Chattel Paper shall be immediately delivered to

the Collateral Agent, duly indorsed in a manner satisfactory to the Collateral Agent, to be held as Collateral pursuant to this Agreement.

#### 4.2 Maintenance of Insurance.

(a) The Company will maintain, with financially sound and reputable companies, insurance policies insuring the Inventory and Equipment against loss by fire, explosion, theft and insuring the Company against liability for personal injury and property damage relating to such Inventory and Equipment.

4.3 Payment of Obligations. The Company will pay and discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of income or profits therefrom, as well as all claims of any kind (including, without limitation, claims for labor, materials and supplies) against or with respect to the Collateral, except that no such charge need be paid if the amount or validity thereof is currently being contested in good faith by appropriate proceedings, reserves in conformity with GAAP with respect thereto have been provided on the books of the Company and such proceedings could not reasonably be expected to result in the sale, forfeiture or loss of any material portion of the Collateral or any interest therein.

#### 4.4 Maintenance of Perfected Security Interest; Further Documentation.

(a) The Company shall maintain the security interest created by this Agreement as a perfected security interest.

(b) The Company will furnish to the Collateral Agent from time to time statements and schedules further identifying and describing the assets and property of the Company and such other reports in connection therewith as the Collateral Agent may reasonably request, all in reasonable detail.

(c) At any time and from time to time, upon the written request of the Collateral Agent, and at the sole expense of the Company, the Company will promptly and duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Collateral Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, filing any financing or continuation statements under the Uniform Commercial Code (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby and, if an Event of Default occurs, in the case of Investment Property, Deposit Accounts and any other relevant Collateral, taking any actions necessary to enable the Collateral Agent to obtain "control" (within the meaning of the applicable Uniform Commercial Code) with respect thereto.

4.5 Changes in Locations, Name, etc. The Company will not, except upon thirty (30) day prior notice to the Collateral Agent and delivery to the Collateral Agent of all additional executed financing statements and other documents reasonably requested by the Collateral Agent to maintain the validity, perfection and priority of the security interests provided for herein and a notice of any additional location at which Inventory or Equipment shall be kept:

(i) permit any of the Inventory or Equipment to be kept at a location other than those set forth in Sections 3.1 and 3.2 (other than mobile goods including but not limited to computer equipment);

(ii) change its jurisdiction of organization or the location of its chief executive office from that referred to in Section 3.1; or

(iii) change its name, identity or corporate structure to such an extent that any financing statement filed by the Collateral Agent in connection with this Agreement would become misleading.

4.6 Notices. The Company will advise the Collateral Agent promptly, in reasonable detail, of:

(a) any Lien (other than security interests created hereby) on any of the Collateral which would adversely affect the ability of the Collateral Agent to exercise any of its remedies hereunder; and

(b) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the security interests created hereby.

4.7 Investment Property.

(a) If the Company shall become entitled to receive or shall receive any stock certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of the Capital Stock of any Issuer, such property shall be held subject to the terms hereof, as additional collateral security for the Secured Obligations. Any sums paid upon or in respect of the Investment Property upon the liquidation or dissolution of any Issuer shall be considered Collateral hereunder, and in case any distribution of capital shall be made on or in respect of the Investment Property or any property shall be distributed upon or with respect to the Investment Property pursuant to the recapitalization or reclassification of the capital of any Issuer or pursuant to the reorganization thereof, the property so distributed shall be considered Collateral hereunder. If any sums of money or property so paid or distributed in respect of the Investment Property shall be received by the Company, the Company shall hold such money or property in trust for the Collateral Agent as additional collateral security for the Secured Obligations.

4.8 Receivables.

(a) Other than in the ordinary course of business consistent with its past practice, the Company will not grant any extension of the time of payment of any Receivable, compromise or settle any Receivable for less than the full amount thereof, release, wholly or partially, any Person liable for the payment of any Receivable, allow any credit or discount whatsoever on any Receivable or amend, supplement or modify any Receivable in any manner that could adversely affect the value thereof.

(b) The Company will deliver to the Collateral Agent a copy of each material demand, notice or document received by it that questions or calls into doubt the validity or enforceability of more than 20% of the aggregate amount of the then outstanding Receivables.

#### 4.9 Intellectual Property.

(a) The Company (either itself or through licensees) will continue to use each Company-owned Trademark that is material to the Company on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, maintain as in the past the quality of products and services offered under such Trademark, use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable Requirements of Law, not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Collateral Agent shall obtain a perfected security interest in such mark pursuant to this Agreement, and not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated or impaired in any way.

(b) The Company (either itself or through licensees) will not do any act, or omit to do any act, whereby any Company-owned Patent that is material to the Company may become forfeited, abandoned or dedicated to the public.

(c) The Company (either itself or through licensees) will employ each Company-owned Copyright that is material to the Company and will not (and will not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any material portion of the Copyrights may become invalidated or otherwise impaired. The Company will not (either itself or through licensees) do any act whereby any material portion of the Copyrights may fall into the public domain. The Company (either itself or through licensees) will not do any act that knowingly uses any material Intellectual Property to infringe the intellectual property rights of any other Person.

(d) The Company shall not include in any contract to which it hereafter becomes a party any provision that could or might in any way impair or prevent the creation of a security interest in, or the assignment of, the Company's rights and interest in any property included within the definition of Intellectual Property.

(e) The Company will notify the Collateral Agent immediately if it knows, or has reason to know, that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court or tribunal in any country) regarding the Company's ownership of, or the validity of, any material Intellectual Property or the Company's right to register the same or to own and maintain the same.

(f) Whenever the Company, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Intellectual Property with

the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, the Company shall report such filing to the Collateral Agent within fifteen (15) Business Days after the last day of the fiscal quarter in which such filing occurs. Upon request of the Collateral Agent, the Company shall execute and deliver, and have recorded, any and all agreements, instruments, documents, and papers as the Collateral Agent may request to evidence the Collateral Agent's security interest in any Copyright, Patent or Trademark and the goodwill and general intangibles of the Company relating thereto or represented thereby.

(g) The Company will take all reasonable and necessary steps, including, without limitation, in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the Intellectual Property that is material to the Company, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.

(h) In the event that any material Intellectual Property is infringed, misappropriated or diluted by a third party, the Company shall take such actions as the Company shall reasonably deem appropriate under the circumstances to protect such Intellectual Property and if such Intellectual Property is of material economic value, promptly notify the Collateral Agent after it learns thereof and, if reasonably economically feasible to do so, sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution.

## SECTION 5. REMEDIAL PROVISIONS

### 5.1 Certain Matters Relating to Receivables

(a) The Collateral Agent shall have the right to make test verifications of the Receivables in any manner and through any medium that it reasonably considers advisable, and the Company shall furnish all such assistance and information as the Collateral Agent may require in connection with such test verifications. At any time and from time to time, upon the Collateral Agent's request and at the expense of the Company, the Company shall cause independent public accountants or others satisfactory to the Collateral Agent to furnish to the Collateral Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Receivables.

(b) The Collateral Agent hereby authorizes the Company to collect the Company's Receivables, subject to the Collateral Agent's direction and control, and the Collateral Agent may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. If required by the Collateral Agent at any time after the occurrence and during the continuance of an Event of Default, any payments of Receivables, when collected by the Company, shall be forthwith (and, in any event, within two (2) Business Days) deposited by the Company in the exact form received, duly indorsed by the Company to the Collateral Agent if required, in a Collateral Account maintained under the sole dominion and control of the Collateral Agent, subject to withdrawal by the Collateral Agent only

as provided in Section 5.4, and until so turned over, shall be held by the Company in trust for the Collateral Agent, segregated from other funds of the Company. Each such deposit of Proceeds of Receivables shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) At the Collateral Agent's request, the Company shall deliver to the Collateral Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Receivables, including, without limitation, all original orders, invoices and shipping receipts.

## 5.2 Communications with Obligor; Company Remains Liable.

(a) The Collateral Agent, in its own name as agent for the Lenders or in the name of the Lenders may, at any time after the occurrence and during the continuance of an Event of Default, communicate with obligors under the Receivables to verify with them to the Collateral Agent's satisfaction the existence, amount and terms of any Receivables.

(b) Upon the request of the Collateral Agent, at any time after the occurrence and during the continuance of an Event of Default, the Company shall notify obligors on the Receivables that the Receivables have been assigned to the Collateral Agent and that payments in respect thereof shall be made directly to the Collateral Agent.

(c) Anything herein to the contrary notwithstanding, the Company shall remain liable under the Receivables to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. The Collateral Agent shall not have any obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Collateral Agent of any payment relating thereto, nor shall the Collateral Agent be obligated in any manner to perform any of the obligations of the Company under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

## 5.3 Investment Property.

(a) If an Event of Default shall occur and be continuing and the Collateral Agent shall give notice of its intent to exercise such rights to the Company pursuant to this Section 5.3(a), the Collateral Agent shall have the right to receive any and all cash dividends, payments or other Proceeds paid in respect of the Investment Property and make application thereof to the Secured Obligations in such order as the Collateral Agent may determine, and any or all of the Investment Property shall be registered in the name of the Collateral Agent or its nominee, and the Collateral Agent or its nominee may thereafter exercise (x) all voting, corporate and other rights pertaining to such Investment Property at any meeting of shareholders of the relevant Issuer or Issuers or otherwise and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Investment

Property as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Investment Property upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate structure of any Issuer, or upon the exercise by the Company or the Collateral Agent of any right, privilege or option pertaining to such Investment Property, and in connection therewith, the right to deposit and deliver any and all of the Investment Property with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as the Collateral Agent may determine), all without liability except to account for property actually received by it, but the Collateral Agent shall have no duty to the Company to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(b) The Company hereby authorizes and instructs each Issuer of any Investment Property pledged by the Company hereunder to comply with any instruction received by it from the Collateral Agent in writing that (x) states that an Event of Default has occurred and is continuing and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from the Company, and the Company agrees that each Issuer shall be fully protected in so complying, and unless otherwise expressly permitted hereby, pay any dividends or other payments with respect to the Investment Property directly to the Collateral Agent.

5.4 Proceeds to be Turned Over To Collateral Agent. In addition to the rights of the Collateral Agent specified in Section 5.1 with respect to payments of Receivables, if an Event of Default shall occur and be continuing, all Proceeds received by the Company consisting of cash, checks and other near-cash items shall be held by the Company in trust for the Collateral Agent, segregated from other funds of the Company, and shall, forthwith upon receipt by the Company, be turned over to the Collateral Agent in the exact form received by the Company (duly indorsed by the Company to the Collateral Agent, if required). All Proceeds received by the Collateral Agent hereunder shall be held by the Collateral Agent in a Collateral Account maintained under its sole dominion and control. All Proceeds while held by the Collateral Agent in a Collateral Account (or by the Company in trust for the Collateral Agent) shall continue to be held as collateral security for all the Secured Obligations and shall not constitute payment thereof until applied as provided in Section 5.5.

5.5 Application of Proceeds. At such intervals as may be agreed upon by the Company and the Collateral Agent, or, if an Event of Default shall have occurred and be continuing, at any time at the Collateral Agent's election, the Collateral Agent may apply all or any part of Proceeds held in any Collateral Account in payment of the Secured Obligations in such order as the Collateral Agent may elect, and any part of such funds which the Collateral Agent elects not so to apply and deems not required as collateral security for the Secured Obligations shall be paid over from time to time by the Collateral Agent to the Company or to whomsoever may be lawfully entitled to receive the same. Any balance of such Proceeds remaining after the Secured Obligations shall have been paid in full, no letters of credit shall be outstanding and all commitments shall have been terminated shall be paid over to the Company or to whomsoever may be lawfully entitled to receive the same.

5.6 Code and Other Remedies. If an Event of Default shall occur and be continuing, the Collateral Agent may exercise, in addition to all other rights and remedies granted to it in this

Agreement and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the California UCC or any other applicable law. Without limiting the generality of the foregoing, the Collateral Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the Company or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Collateral Agent or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Collateral Agent shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Company, which right or equity is hereby waived and released. The Company further agrees, at the Collateral Agent's request, to assemble the Collateral and make it available to the Collateral Agent at places which the Collateral Agent shall reasonably select, whether at the Company's premises or elsewhere. The Collateral Agent shall apply the net proceeds of any action taken by it pursuant to this Section 5.6, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Collateral Agent hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Secured Obligations, in such order as the Collateral Agent may elect, and only after such application and after the payment by the Collateral Agent of any other amount required by any provision of law, including, without limitation, Section 9-504(1)(c) of the California UCC, need the Collateral Agent account for the surplus, if any, to the Company. To the extent permitted by applicable law, the Company waives all claims, damages and demands it may acquire against the Collateral Agent arising out of the exercise by it of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) days before such sale or other disposition.

5.7 Waiver; Deficiency. The Company waives and agrees not to assert any rights or privileges which it may acquire under Section 9-112 of the California UCC. The Company shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay its Secured Obligations and the reasonable fees and disbursements of any attorneys reasonably employed by the Collateral Agent to collect such deficiency.

## SECTION 6. THE LENDER

### 6.1 Collateral Agent's Appointment as Attorney-in-Fact, etc.

(a) The Company hereby irrevocably constitutes and appoints the Collateral Agent, and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Company and in the name of the Company or in its own name, for the purpose of carrying out the terms of



this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, the Company hereby gives the Collateral Agent the power and right, on behalf of the Company, without notice to or assent by the Company, to do any or all of the following:

(i) in the name of the Company or its own name, or otherwise, take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Receivable or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Collateral Agent for the purpose of collecting any and all such moneys due under any Receivable or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may request to evidence the Collateral Agent's security interest in such Intellectual Property and the goodwill and general intangibles of the Company relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale provided for in Section 5.6 or 6.1, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (A) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct; (B) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against the Company, assignments, verifications, notices and other documents in connection with any of the Collateral; (D) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (E) defend any suit, action or proceeding brought against the Company with respect to any Collateral; (F) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Collateral Agent may deem appropriate; (G) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Collateral Agent shall in its sole discretion determine; and (H) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral Agent was the

absolute owner thereof for all purposes, and do, at the Collateral Agent's option and the Company's expense, at any time, or from time to time, all acts and things which the Collateral Agent deems necessary to protect, preserve or realize upon the Collateral and the Collateral Agent's security interests therein and to effect the intent of this Agreement, all as fully and effectively as the Company might do.

Anything in this Section 6.1(a) to the contrary notwithstanding, the Collateral Agent agrees that it will not exercise any rights under the power of attorney provided for in this Section 6.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If the Company fails to perform or comply with any of its agreements contained herein, the Collateral Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Collateral Agent incurred in connection with actions undertaken as provided in this Section 6.1, together with interest thereon at a rate per annum equal to the highest rate per annum at which interest would then be payable on any past due note balance on each of the Bridge Notes, from the date of payment by the Collateral Agent to the date reimbursed by the Company, shall be payable by the Company to the Collateral Agent on demand.

(d) The Company hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof while an Event of Default is continuing. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

6.2 Duty of Collateral Agent. The Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the California UCC or otherwise, shall be to deal with the Collateral in the same manner as the Collateral Agent deals with similar property for its own accounts. Neither the Collateral Agent nor any of its officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Company or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Agent hereunder are solely to protect the Collateral Agent's interests in the Collateral and shall not impose any duty upon the Collateral Agent to exercise any such powers. The Collateral Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Company for any act or failure to act hereunder, except for its own gross negligence or willful misconduct.

6.3 Execution of Financing Statements. Pursuant to Section 9-402 of the California UCC and any other applicable law, the Company authorizes the Collateral Agent to file or record financing statements, continuation statements, partial releases, amendments, termination statements in connection therewith, and other filing or recording documents or instruments with respect to the Collateral without the signature of the Company in such form and in such offices

as the Collateral Agent determines are necessary or desirable to perfect the liens or security interests of the Collateral Agent under this Agreement. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction.

## SECTION 7. MISCELLANEOUS

7.1 Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with the Loan Documents.

7.2 Notices. Unless otherwise expressly provided herein, all notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made (a) in the case of delivery by hand, when delivered, (b) in the case of delivery by mail, three (3) days after being deposited in the mails, postage prepaid, or (c) in the case of delivery by facsimile transmission, when sent and receipt has been confirmed, addressed as follows:

If to the Collateral Agent:

Rhodes GoodHome, LLC  
c/o Rhodes Partners, LLC  
5200 Cammack Drive  
Bethesda, MD 20816  
Attn: Alice Rogoff Rubenstein, Managing Member  
Telephone No.: (301) 320-2840  
Telecopy No.: (301) 320-9414

With a copy to:

Shaw Pittman  
1650 Tysons Boulevard  
McLean, VA 22102-4859  
Attention: Steven L. Meltzer, Esq.  
Telephone No.: (703) 770-7950  
Telecopy No.: (703) 770-7901

If to the Company:

GoodHome, LLC  
899 Northgate Drive, 4<sup>th</sup> Floor  
San Rafael, California 94903  
Attention: Sandra Shepard, General Counsel  
Facsimile: (415) 472-0992

With a copy to:

Perkins Coie LLP  
101 Jefferson Drive  
Menlo Park, CA 94025  
Attention: Edward J. Wes, Esq.  
Facsimile: 650-838-4350

7.3 No Waiver by Course of Conduct; Cumulative Remedies. The Collateral Agent shall not by any act (except by a written instrument pursuant to Section 7.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

7.4 Enforcement Expenses; Indemnification.

(a) The Company agrees to pay, and to save the Collateral Agent harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral.

(b) The Company agrees to pay, and to save the Collateral Agent harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever ("Losses") with respect to the execution, delivery, enforcement, performance and administration of this Agreement, provided that such Losses do not result from the Collateral Agent's reckless or intentional wrongdoing.

(c) The agreements in this Section 7.4 shall survive repayment of the Secured Obligations and the Loan Documents.

7.5 Successors and Assigns. This Agreement shall be binding upon the successors and assigns of the Company and shall inure to the benefit of the Collateral Agent and its successors and assigns; provided that the Company may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent.

7.6 Setoff. The Company hereby irrevocably authorizes the Collateral Agent at any time and from time to time while an Event of Default is continuing without notice to the Company or any other Company, any such notice being expressly waived by the Company (except as set forth below), to setoff and appropriate and apply any and all deposits (general or

special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Collateral Agent to or for the credit or the account of the Company, or any part thereof in such amounts as the Collateral Agent may elect, against and on account of the obligations and liabilities of the Company to the Collateral Agent hereunder and claims of every nature and description of the Collateral Agent against the Company, in any currency, whether arising hereunder, under any other Loan Document or otherwise, as the Collateral Agent may elect, whether or not the Collateral Agent has made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Collateral Agent shall notify the Company promptly (and in no case later than two Business Days after such setoff) of any such setoff and the application made by the Collateral Agent of the proceeds thereof. The rights of the Collateral Agent under this Section 7.6 are in addition to other rights and remedies (including, without limitation, other rights of setoff) which the Collateral Agent may have.

7.7 Further Assurances. The Company shall, from time to time at the expense of the Company, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Collateral Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral.

7.8 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

7.9 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

7.10 Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

7.11 Integration. This Agreement and the other Loan Documents represent the agreement of the Company and the Collateral Agent with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Collateral Agent relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents.

7.12 GOVERNING LAW. UNLESS OTHERWISE STATED SPECIFICALLY HEREIN WITH RESPECT TO REFERENCES TO THE CALIFORNIA UCC, THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF DELAWARE,

WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES, EXCEPT TO THE EXTENT THAT THE UCC PROVIDES THAT THE PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF DELAWARE.

7.13 Submission To Jurisdiction; Waivers. The Company hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the State of Delaware, the courts of the United States of America for the Fourth Circuit, and appellate courts from any thereof, provided that nothing contained in this Agreement will prevent the Collateral Agent from bringing any action, enforcing any award or judgment or exercising any rights against the Company individually, against any security or against any property of the Company within any other county, state or other foreign or domestic jurisdiction. The Collateral Agent and the Company agree that the venue provided above is the most convenient forum for both the Collateral Agent and the Company;

(b) irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Security Agreement and the Loan Document. The parties acknowledge that this Section 7.13 has been the subject of specific negotiation, and each party represents that it or he is voluntarily and knowingly relinquishing forever the rights hereby waived.

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Company at its address referred to in Section 7.2 or at such other address of which the Collateral Agent shall have been notified pursuant thereto; and

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction.

7.14 Acknowledgments. The Company hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(b) the Collateral Agent does not have a fiduciary relationship with or duty to the Company arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Company, on the one hand, and the Collateral Agent, on the other hand, in connection herewith or therewith is solely that of Company and creditor; and

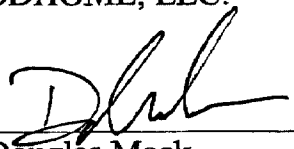
(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby between the Company and the Collateral Agent.

7.15 Releases. At such time as the Bridge Notes and the other Secured Obligations shall have been paid in full, the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Collateral Agent and the Company hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Company. At the request and sole expense of the Company following any such termination, the Collateral Agent shall deliver to the Company any Collateral held by the Collateral Agent hereunder, and execute and deliver to the Company such documents as the Company shall reasonably request to evidence such termination.

7.16 WAIVER OF JURY TRIAL. THE COMPANY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

IN WITNESS WHEREOF, each of the undersigned has caused this Security Agreement to be duly executed and delivered as of the date first above written.

GOODHOME, LLC.

By:  \_\_\_\_\_  
Douglas Mack  
Chief Executive Officer

RHODES GOODHOME, LLC  
as Collateral Agent

By Rhodes Partners, LLC, its Managing Member

By: \_\_\_\_\_  
Alice N. Rogoff,  
its Managing Member



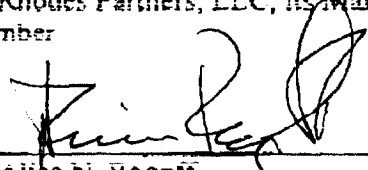
IN WITNESS WHEREOF, each of the undersigned has caused this Security Agreement to be duly executed and delivered as of the date first above written.

GOODHOME, LLC.

By: \_\_\_\_\_  
Douglas Mack  
Chief Executive Officer

RHODES GOODHOME, LLC  
as Collateral Agent

By Rhodes Partners, LLC, its Managing Member

By:  \_\_\_\_\_  
Alice N. Rogoff,  
its Managing Member

SCHEDULE OF ASSETS

TO

SECURITY AGREEMENT

BY

GOODHOME, LLC, A DELAWARE LIMITED LIABILITY COMPANY, SCENE7, INC.  
(FORMERLY GOODHOME, INC.), AND RHODES GOODHOME, LLC, AS COLLATERAL  
AGENT FOR THE LENDERS

TRADEMARK

REEL: 002278 FRAME: 0752

# IP SCHEDULE

## I. Trademarks

<u>Number</u>	<u>Mark</u>	<u>Owner</u>
Appl. No. 75/224443	3D HOME	GoodHome, Inc.
Appl. No. 75/892176	GOODHOME.COM	GoodHome, Inc.
Appl. No. 75/729872	GOODHOME.COM	GoodHome, Inc.
Reg. No. 2,107,961	PICTURE THIS HOME!	GoodHome, Inc.
Reg. No. 2,138,767	PICTURE THIS HOME! & Design	GoodHome, Inc.
Appl. No. 75/749101	FIND FURNITURE	GoodHome, LLC
Appl. No. 75/697422	FURNITUREFIND.COM	GoodHome, LLC
Reg. No. 2,418,765	FURNITUREFIND	GoodHome, LLC
Reg. No. 2,351,615	FURNITUREFIND	GoodHome, LLC

## II. Copyrights

<u>Number</u>	<u>Title</u>	<u>Owner</u>
VA-925-950	Visionary Options, Volume 1A, 2A, Fall 1996	GoodHome, LLC
VA-925-951	Brewster Vision Spring 1998	GoodHome, LLC
VA-925-952	Brewster Vision Summer 1997	GoodHome, LLC
VA-925-953	Brewster Vision Spring 1997	GoodHome, LLC
VA-925-954	Visionary Options, Volume 1A, 2A, Spring 1998	GoodHome, LLC
VA-925-955	Visionary Options, Volume 1A, 2A, Spring 1997	GoodHome, LLC
VA-925-956	Brewster Vision Autumn 1996	GoodHome, LLC
VA-925-957	Brewster Vision Spring 1996	GoodHome, LLC
VA-925-958	Brewster Vision Autumn 1995	GoodHome, LLC
TX-5-236-818	Total 3D Landscape Deluxe	Scene7, Inc.
TX-5-236-819	Total 3D Home Deluxe 2.0	Scene7, Inc.
TX-5-236-787	Total 3D Home Deluxe 3.0	Scene7, Inc.
Appl. Filed 1/29/01	Total 3D Home Suite Deluxe	Scene7, Inc.
Appl. Filed 1/29/01	Mein Heim 3D	Scene7, Inc.
Appl. Filed 1/29/01	Total 3D Landscape Deluxe	Scene7, Inc.
Appl. Filed 4/4/01	Habitat Maison 3D Deluxe	Scene7, Inc.
Appl. Filed 4/4/01	Huis Totaal 3D De Luxe	Scene7, Inc.

**TRADEMARK**

**REEL: 002278 FRAME: 0753**

### III. Patents

#### U.S. PATENTS / PATENT APPLICATIONS

Inventor	Filing Date	Serial No.	Status	Assignee
Desmond T. Greenfell	2/5/01	60/266,545 (Prov.)	Pending	Scene7, Inc.
Randy Chou	1/17/01	60/262,276 (Prov.)	Pending	Obligated to assign all right, title, and interest to GoodHome.com
Satish K. Asok	2/7/01	60/267,044 (Prov.)	Pending	Scene7, Inc.
Kevin Hakman	9/22/99	09/645,780 (Non-Prov.)	Pending	GoodHome.com

#### FOREIGN PATENTS / PATENT APPLICATIONS

Inventor	Country	Appln. No.	Filing Date	Assignee
Kevin Hakman	Japan	2000-289,381	9/22/2000	GoodHome.com
Kevin Hakman	Canada	2,319,996	9/20/2000	GoodHome.com
Kevin Hakman	PCT	319238001WO	9/21/2000	GoodHome.com
Kevin Hakman	EPO	00 120 662.2	9/21/2000	GoodHome.com

Document #: 1105853 v.1