

05-17-2001

FORM PTO-1618A  
Expires 06/30/99  
OMB 0651-0027



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U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

S-14-01

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

MAY 14 2001

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 #

Conveyance Type

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

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

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

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

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.)

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practices. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK  
REEL: 002297 FRAME: 0550

**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

415.981-1400

Name

Russell D. Pollock

Address (line 1)

Greene Radovsky Maloney & Share LLP

Address (line 2)

Four Embarcadero Center, Suite 4000

Address (line 3)

Address (line 4)

San Francisco, CA 94111

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

7

**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)

75/767,832

**Number of Properties**

Enter the total number of properties involved.

#

1

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

40.00

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:

#

Authorization to charge additional fees:

Yes

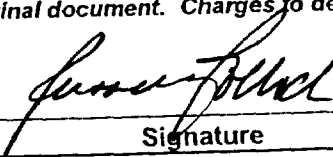
No

**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.

Russell D. Pollock

Name of Person Signing



Signature

May 8, 2001

Date Signed

## TRADEMARK SECURITY AGREEMENT

THIS AGREEMENT is made as of April 24, 2001, between Asera, Inc., a Delaware corporation, having a mailing address at 600 Clipper Drive, Belmont, California 94002 ("Borrower"), and Venture Lending & Leasing III, Inc., in its capacity as collateral agent for the Lenders, as hereinafter defined ("Secured Party"). Secured Party's address is 2010 North First Street, Suite 310, San Jose, California 95131.

### RECITALS

A. Borrower owns the Trademarks, Trademark registrations and Trademark applications listed on Schedule 1 hereto, and is a party to the Trademark Licenses listed on Schedule 1 hereto;

B. Borrower has entered into that certain Loan Agreement of even date herewith (as the same may be amended from time to time, the "Loan Agreement") with the lenders signatory thereto (the "Lenders") and Secured Party acting both as a Lender and as the agent for the Lenders;

C. Pursuant to the terms of the Security Agreement (as defined in the Loan Agreement), Borrower has granted to Secured Party, as the agent for the Lenders, a security interest in certain personal property assets of Borrower, including all right, title and interest of Borrower in, to and under all Borrower's Trademarks (as defined in the Loan Agreement), all of Trademark registrations, Trademark applications and Trademark Licenses (as defined in the Loan Agreement), whether presently existing or hereafter arising or acquired, together with the goodwill of the business symbolized by the Trademarks and the applications therefor and the registrations thereof, and all products and proceeds thereof, including, without limitation, any and all causes of action that may exist by reason of infringement or dilution thereof or injury to the associated goodwill, to secure the payment of the Obligations (as such term is defined in the Loan Agreement).

D. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Loan Agreement.

NOW, THEREFORE, in consideration of the premises, Borrower hereby agrees with Secured Party as follows:

1. To secure the complete and timely satisfaction of all Obligations, Borrower hereby grants, and conveys to Secured Party a continuing security interest in and lien on all of Borrower's right, title and interest in and to the Trademarks, Trademark applications and Trademark Licenses listed on Schedule 1 hereto (as the same may be amended pursuant hereto from time to time), including, without limitation, all renewals thereof, all proceeds of infringement suits, the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "Trademarks"), and the goodwill of the business to which each of the Trademarks relates.

2. Borrower covenants and warrants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) To the best of Borrower's knowledge, each of the Trademarks is valid and enforceable;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

(d) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Borrower not to sue third persons, except (i) Permitted Liens; and (ii) any license disclosed in Schedule 1;

(e) Borrower has the unqualified right to enter into this Agreement and perform its terms;

(f) Borrower has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks; and

(g) Borrower has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products and/or provision of services as sold under the Trademarks.

3. Borrower hereby grants to Secured Party and its employees and Secured Party has the right to visit Borrower's plants and facilities that manufacture, inspect or store products sold under any of the Trademarks or that are used to enhance the services provided under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Borrower shall do any and all acts required by Secured Party to ensure Borrower's compliance with paragraph 2(g).

4. Borrower agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) that is inconsistent with Borrower's obligations under this Agreement, without Secured Party's prior written consent; provided, that so long as no Default or Event of Default shall have occurred and be continuing, Borrower may grant licenses to third parties to use the Trademarks in the ordinary course of business of both Borrower and such third party on arm's length and customary business terms.

5. IF, BEFORE THE OBLIGATIONS SHALL HAVE BEEN SATISFIED IN FULL, BORROWER SHALL OBTAIN RIGHTS TO ANY NEW TRADEMARKS, THE PROVISIONS OF PARAGRAPH 1 SHALL AUTOMATICALLY APPLY THERETO AND BORROWER SHALL GIVE SECURED PARTY PROMPT WRITTEN NOTICE THEREOF.

6. Borrower authorizes Secured Party unilaterally to modify this Agreement by amending Schedule 1 to include any future Trademarks and Trademark applications covered by paragraphs 1 and 5 hereof.

7. If any Event of Default shall have occurred and be continuing, Secured Party shall have, in addition to all other rights and remedies given it by this Agreement or any other Loan Document, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located and, without limiting the generality of the foregoing, the Secured Party may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Borrower, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or from time to time any of the Trademarks, or any interest that the Borrower may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to Borrower. Notice of any sale or other disposition of the Trademarks shall be given to Borrower at least ten (10) days before the time of any intended public or private sale or other disposition of the Trademarks is to be made, which Borrower hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition Secured Party or its Secured Party may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Borrower, which right is hereby waived and released.

8. At such time as Borrower shall completely satisfy all of the Obligations and the Commitments of the Lenders shall have been terminated, this Agreement shall terminate and Secured Party shall execute and deliver to Borrower all agreements, documents or other instruments as may be necessary or proper to terminate Secured Party's Liens herein, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

9. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by Borrower on demand by Secured Party.

10. Borrower shall have the duty, through counsel reasonably acceptable to Secured Party, to prosecute diligently any Trademark applications pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the

Trademarks shall be borne by Borrower. Borrower shall not abandon any Trademark unless Borrower deems it to be in its best interest.

11. Borrower shall have the right, with the prior written consent of Secured Party, which will not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event Secured Party may, if necessary, be joined as a nominal party to such suit if Secured Party shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Borrower shall promptly, upon demand, reimburse and indemnify Secured Party for all damages, costs and expenses, including reasonable attorneys' fees incurred by Secured Party, in accordance with the Loan Agreement.

12. Borrower hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party, as Secured Party may select in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power, after and during the continuance of an Event of Default, to endorse Borrower's name on all applications, documents, papers and instruments necessary for Secured Party to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to any third person as a part of Secured Party's realization on such collateral upon acceleration of the Obligations following an Event of Default. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney being coupled with an interest shall be irrevocable for the life of this Agreement.

13. If Borrower fails to comply with any of its obligations hereunder, Secured Party may do so in Borrower's name or in Secured Party's name, but at Borrower's expense, and Borrower hereby agrees to reimburse Secured Party in full for all expenses, including reasonable attorneys' fees, incurred by Secured Party in protecting, defending and maintaining the Trademarks.

14. No course of dealing between Borrower and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

15. All of Secured Party's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Agreement or any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

17. This Agreement is subject to modification only by a writing signed by both parties, except as provided in paragraph 6.

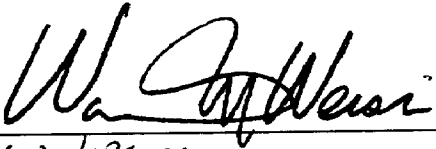
18. This Agreement shall be binding upon Borrower and Secured Party and their respective permitted successors and assigns, and shall inure to the benefit of Borrower, Secured Party and the respective permitted successors and assigns of Borrower and Secured Party.

19. In the event that any provision of this Agreement conflicts with any provision of the Security Agreement, such provision in the Security Agreement shall control.

20. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of California.

WITNESS the execution hereof under seal as of the day and year first above written.

ASERA, INC.

By:   
Name: WARREN WEISS  
Title: PRESIDENT & CEO

VENTURE LENDING & LEASING III, INC., as  
Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

17. This Agreement is subject to modification only by a writing signed by both parties, except as provided in paragraph 6.

18. This Agreement shall be binding upon Borrower and Secured Party and their respective permitted successors and assigns, and shall inure to the benefit of Borrower, Secured Party and the respective permitted successors and assigns of Borrower and Secured Party.

19. In the event that any provision of this Agreement conflicts with any provision of the Security Agreement, such provision in the Security Agreement shall control.

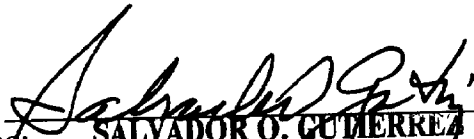
20. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of California.

WITNESS the execution hereof under seal as of the day and year first above written.

ASERA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

VENTURE LENDING & LEASING III, INC., as  
Agent

By:   
Name: SALVADOR O. GUTIERREZ  
Title: PRESIDENT



**SCHEDULE 1 TO  
TRADEMARK SECURITY AGREEMENT**

**A. TRADEMARK AND TRADEMARK APPLICATIONS:**

<u>Mark</u>	<u>Country</u>	<u>Status</u>	<u>App. No./ Filed</u>	<u>Reg. No./ Reg. Date</u>
Asera	USA	Response to USPTO Examiner sent on 3/20/01	75767832 Filed on 8/4/99	

**B. TRADEMARK LICENSES:**

<u>Corresponding Trademark No.</u>	<u>Date License Granted</u>	<u>Licensee</u>	<u>Termination Date</u>
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None