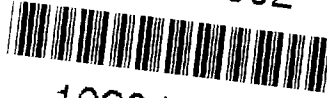


04-02-2002



102040279

FORM PTO-1594

RECOI

(Rev. 03/01)
OMB No. 0651-0027 (exp. 05/31/2002)

U.S. DEPARTMENT OF COMMERCE

Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
3 20 02
Precision Photonics Corporation
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
Name: **Silicon Valley Bank**
Internal Address: HA155
Street Address: 3003 Tasman Drive
City: Santa Clara State: CA ZIP: 95054

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____
Execution Date: **12/10/2001**

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State - **Delaware**
 Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
78-059, 292
78-059, 270
78-020, 300
75-330, 531

B. Trademark No.(s)
2, 230, 143
2, 532, 259

OFFICE OF PATENT RECORDS
FINANCE SECTION
2002 MAR 20 AM 8:07

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: **Silicon Valley Bank**
Internal Address: Loan Documentation HA155
Street Address: 3003 Tasman Dr.
City: Santa Clara State: Ca ZIP: 95054

6. Total number of applications and registrations involved: **6**
7. Total fee (37 CFR 3.41): \$..... **105.-**
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

04/01/2002 LMDLEL 00000012 78059292

01 FD-481 40.00 BP
02 FD-482 25.00 BP

9. 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.

Maribel Arteaga
Name of Person Signing

Maribel Arteaga
Signature

3/4/02
Date

Total number of pages including cover sheet, attachments, and document : **7**

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 002473 FRAME: 0130

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of December 10, 2001 by and between SILICON VALLEY BANK ("Bank") and Precision Photonics Corporation ("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 December 10, 2001 (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 Intellectual Property Security 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.

Address of Grantor:

2901 55th Street
Boulder, CO 80301

Attn: _____

Address of Bank:

4410 Arapahoe Ave., Ste. 200
Boulder, CO 80303

Attn: _____

GRANTOR:

Precision Photonics Corporation

By: *Sarah C. Hatcher*
Title: *President*

BANK:

SILICON VALLEY BANK

By: *Kermit Ross*
Title: *VP*

EXHIBIT A

Copyrights

Description

Registration/
Application
Number

Registration/
Application
Date

EXHIBIT B

Patents

Description

Registration/
Application
Number

Registration/
Application
Date

wave locker

Aug 2001

*provisional:
wave meter*

Oct 2001

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
<i>Multi Channel Simplicity</i>	78-059,292	<i>Pending</i>
<i>Synaro and design</i>	78-059,270	<i>Pending</i>
<i>Synaro</i>	78-020,300	<i>Pending</i>
<i>SmartscripT</i>	2,230,143	3/9/99
<i>SmartStore</i>	75-330,581	—
Printed Matter, namely, a newsletter featuring articles about the applicant's computer software products, a training schedule and calendar, and technology updates regarding new features of the applicant's computer software products, instructional manuals distributed to users of the applicant's software products, featuring lessons and information on how to operate the applicant's computer software products.	2,532,259	1/22/02

EXHIBIT D

Mask Works

Description

Registration/
Application
Number

Registration/
Application
Date