

Form PTO-1594
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**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

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

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

1. Name of conveying party(ies):
Scalable Software, Inc.

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

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Grant of Security Interest
- Merger
- Change of Name

Execution Date: June 26, 2002

2. Name and address of receiving party(ies)

Name: NEON Systems, Inc.
 Internal
 Address: Suite 500
 Street Address: 14100 Southwest Freeway
 City: Sugar Land State: TX Zip: 77478

- 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
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) 2,569,742;
2,555,471; 3,552,260

Additional number(s) attached Yes No

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

Name: Lauralyn Chrisley
 Internal Address: 2300 First City Tower

Street Address: 1001 Fannin

City: Houston State: TX Zip: 77002-6760

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41)\$ 90.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

22-0365 Attn: NEO530/1

DO NOT USE THIS SPACE

9. Signature.

Lauralyn Chrisley
Name of Person Signing


Signature

July 8, 2002

Date

6

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

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

**GRANT OF SECURITY INTEREST
IN UNITED STATES TRADEMARKS**

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, SCALABLE SOFTWARE, INC., a Delaware corporation (the "Grantor") with principal offices at 720 North Post Oak Road, Suite 500, Houston, Texas 77024, hereby assigns and grants to NEON Systems, Inc., as Secured Party, with principal offices at 14100 Southwest Freeway, Suite 500, Sugar Land, Texas 77478 (the "Grantee"), a security interest in (i) all of the Grantor's right, title and interest in and to the United States trademarks, trademark registrations and trademark applications (the "Marks") set forth on Schedule A attached hereto, (ii) all Proceeds (as such term is defined in the Security Agreement referred to below) and products of the Marks, (iii) the goodwill of the businesses with which the Marks are associated and (iv) all causes of action arising prior to or after the date hereof for infringement of any of the Marks or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Obligations of the Grantor, as such term is defined in the Security Agreement among the Grantor and the Grantee, dated as of June 26, 2002 (as amended from time to time, the "Security Agreement"). Upon full and final payment of all Obligations of the Grantor to the Grantee, secured by the Security Agreement, the Grantee shall execute, acknowledge, and deliver to the Grantor an instrument in writing releasing the security interest in the Marks acquired under this Grant.

This Grant has been granted in conjunction with the security interest granted to the Grantee under the Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this

Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the 26 day of June, 2002.

SCALABLE SOFTWARE, INC., as Grantor

By: Elizabeth McGarry
Name: Elizabeth McGarry
Title: CFO

NEON SYSTEMS, INC., as Secured Party

By: J. Bradford Boynton
Name: J. Bradford Boynton
Title: CFO

STATE OF Texas)
) ss.:
COUNTY OF Harris)

On this 26th day of June, 2002, before me personally came
Elizabeth McGarry who, being by me duly sworn, did state as
follows: that [s]he is CFO of Scalable Software, Inc., a
Delaware corporation, that [s]he is authorized to execute the foregoing Grant on behalf of said
corporation and that [s]he did so by authority of the Board of Directors of said corporation.

Karen Cuccia
Notary Public



STATE OF TEXAS)
) ss.:
COUNTY OF HARRIS)

On this ____ day of June, 2002, before me personally came
_____ who, being by me duly sworn, did state as
follows: that [s]he is _____ of Neon Systems, Inc., a Delaware
corporation, that [s]he is authorized to execute the foregoing Grant on behalf of said corporation
and that [s]he did so by authority of the Board of Directors of said corporation.

Notary Public

SCHEDULE A

<u>Marks</u>	<u>Country</u>	<u>Registration No.</u>
You Can't Manage What You Can't Measure	U.S.A.	2,569,742
Scalable Software and Design	U.S.A.	2,555,471
Survey A Scalable Solution and Design	U.S.A.	3,552,260