

03-16-1999

U.S. Department of Commerce  
Patent and Trademark Office  
**PATENT**



100985563

38-99

**RECORDATION FORM COVER SHEET  
PATENTS ONLY**

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** ☒ **Security Agreement**  
☐ **License** ☐ **Change of Name**  
☐ **Merger** ☐ **Other**   
**U.S. Government**  
(For Use ONLY by U.S. Government Agencies)  
☐ **Departmental File** ☐ **Secret File**

**Conveying Party(ies)**

☐ Mark if additional names of conveying parties attached  
Execution Date  
Month Day Year  
02 11 99

Name (line 1) SelfServe USA, Inc.

Name (line 2) A Corporation of Delaware

**Second Party**

Name (line 1)

Name (line 2)

Execution Date  
Month Day Year

**Receiving Party**

☐ Mark if additional names of receiving parties attached

Name (line 1) Genstler, Geraldine R.

Name (line 2)

Address (line 1) 3821 Independence Hwy.

Address (line 2)

Address (line 3) Albany OR 97321  
City State/Country Zip Code

☐ 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 is attached. (Designation must be a separate document from Assignment.)

**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)

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 Practice. 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

**PATENT**

REEL: 9807 FRAME: 0403

**Correspondent Name and Address**

Area Code and Telephone Number

(541) 926-5424

Name Genstler, Geraldine R.

Address (line 1) 3821 Independence Hwy.

Address (line 2) Albany, OR 97321

Address (line 3)

Address (line 4)

**Pages**

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

# 10

**Application Number(s) or Patent Number(s)**

☐ Mark if additional numbers attached

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

Patent Application Number(s)

Patent Number(s)

08735308

08827548

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

**Patent Cooperation Treaty (PCT)**

Enter PCT application number only if a U.S. Application Number has not been assigned.

PCT

PCT

PCT

PCT

PCT

PCT

**Number of Properties**

Enter the total number of properties involved.

# 2

**Fee Amount**

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

80.00

Method of Payment:  
Deposit Account

Enclosed ☒

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.

Geraldine Genstler

Name of Person Signing

Signature

March 04, 1999

Date

## PATENT ASSIGNMENT FOR SECURITY PURPOSES

This PATENT ASSIGNMENT FOR SECURITY PURPOSES ("Agreement") made as of the \_\_\_\_ / \_\_\_\_ day of February, 1999, by and between Self Serve USA Inc., a Delaware corporation, with an office at 12000 N.E. 8<sup>th</sup>, Suite 205, Bellevue, WA 98005 ("Assignor"), and Geraldine Genstler, whose mailing address is 3821 Independence Hwy., Albany, OR 97321 ("Assignee").

WHEREAS Assignor is the owner of the entire right, title and interest in and to the United States patents and patent applications listed in Schedule A attached hereto and made a part hereof, the inventions described therein, all rights associated therewith and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof; and

WHEREAS, Assignor and Assignee are parties to that certain Demand Facility Agreement, Demand Promissory Note, and Security Agreement of even date herewith (collectively the "Loan Agreements"), pursuant to which Assignee may, from time to time, extend credit to the Assignor; and

WHEREAS, Assignee wishes to acquire the entire right, title and interest in and to the Patents (i) in order to secure the prompt and complete payment, observance and performance of all of the "Obligations" (as defined in the Security Agreement) of Assignor and (ii) as a condition precedent to Assignee entering into the Loan Agreements.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending for the Assignor and its successors and assigns to be legally bound hereby, the parties agree as follows:

### 1. Defined Terms.

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Security Agreement shall have the meaning specified for such term in the Security Agreement.

(b) The words "hereof," "herein" and "hereunder" and words of like 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 references are to this Agreement unless otherwise specified.

(c) The word "Affiliate" means any corporation or other business entity controlled by, controlling, or under common control with Assignor, but only for so long as such control exists. For purposes of this definition, "control" means (a) direct or indirect beneficial ownership of at least fifty percent (50%) of the voting stock of another corporation; or (b) the power, whether or not normally exercised, to direct or cause the direction of the management, affairs and policies of another corporation or other legal entity by contract, resolution, or otherwise.

(d) The word "Default" means the failure of the Borrower to repay the Obligations promptly on Lender's demand.

(e) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference hereto and are made a part hereof.

3. Assignment. Assignor hereby transfers, assigns, coveys and sets over unto the Assignee and its successors, transferees and assigns, all of Assignor's present and future right, title and interest in all of the following (the "Patent Collateral"):

(a) now owned or existing and hereafter acquired or arising patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, those patents listed on Schedule A attached hereto and made a part hereof, and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all of Assignor's rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (i)-(iv) in this paragraph 3(a) are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and

(b) rights under or interest in any patent license agreements with any other party, whether Assignor is a licensee or licensor under any such license agreement, including, without limitation, those patent license agreements listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

4. Representations and Warranties. Assignor hereby represents and warrants to and for the benefit of Assignee that:

(a) the patent applications listed in Schedule A attached hereto are subsisting and have not been abandoned or finally rejected or otherwise adjudged invalid or unenforceable, in whole or in part;

(b) the issued patents listed in Schedule A attached hereto are subsisting and have not been abandoned or adjudged invalid or unenforceable, in whole or in part;

(c) the Licenses listed on Schedule B include all of the patent license agreements pursuant to which Assignor is the licensee or licensor thereunder;

(d) apart from any obligations under the Security Agreement, (i) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Patent Collateral and (ii) no other liens, claims of liens or security interests have been granted by Assignor to any other person in the Patent Collateral;

(e) Assignor has the full right and power to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents and consultants, which will enable Assignor to comply with the representations and warranties herein contained; and

(f) Assignor shall not take any action, or knowingly omit to do any act, or permit any action or inaction to be taken by others, including without limitation, licensees, whereby any of the Patents or Licenses may become invalid or unenforceable.

5. New Patents and Licenses. If, prior to the termination of this Agreement, Assignor shall (a) obtain rights to any new patentable inventions, (b) become entitled to the benefit of any patent, patent application, license or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent or License, (c) enter into any new patent licenses agreement, the provisions of paragraph 3 above shall automatically apply thereto. Assignor shall give to Assignee written notice of events described in clauses (a), (b) and (c) of the preceding sentence on a quarterly basis. At Assignee's request, Assignor shall also modify this Agreement by amending Schedule A and Schedule B to include any future patents and patent applications, and any future patent license agreements, which are Patents or Licenses under paragraph 3 above or under this paragraph 5 and provide same to Assignee to amend and file or record any UCC financing statement or similar instrument in order to give notice of such modification.

6. License Back to Assignor. Assignee hereby grants back to Assignor, without representation, warranty or recourse, express or implied, a royalty-free, license to practice the Patents and to make, have made, use, offer for sale and sell products according to the Patents. Assignor or its Affiliates shall not grant any license under the Patents to third parties without the prior and express written approval of Assignee of the terms and conditions of such license, which consent will not be unreasonably withheld.

7. Right to Inspect; Further Assignments and Security Interests. The Assignee may at all reasonable times have access to, examine, audit, make copies (at Assignee's expense) and extracts from and inspect Assignor's premises, books, records and operations relating to the Patents and the Licenses; provided, that in conducting such inspections and examinations, Assignee shall use reasonable efforts not to unnecessarily disturb the conduct of Assignor's ordinary business operations.

8. Termination of Assignee's Security Interest. Upon payment in full of (i) all Obligations on Assignee's demand, with interest at the rate or rates provided for by the Loan Agreements, (ii) Assignee's costs of collecting the Obligations, of the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Patent Collateral, including attorneys fees and expenses, with interest from date of expenditure at the maximum rate provided for by the Loan Agreements, and (iii) any deficiency after realization on Patent Collateral,

Assignee agrees to promptly reassign to Assignor, without representation, warranty or recourse, the entire remaining right, title, and interest in and to Patent Collateral granted to it hereunder. Assignee further agrees to cooperate fully and to execute such documents and take such actions, all at the expense of the Assignor as are necessary or expedient to effect such reassignment in a prompt and efficient manner.

9. Duties of Assignor. Notwithstanding the assignment in paragraph 3, Assignor shall have the duty to: (a) prosecute diligently any patent application that is part of the Patents pending as of the date hereof or thereafter until the termination of this Agreement, and (b) make application on unpatented but patentable inventions. Assignor further agrees (i) not to abandon any License without the prior written consent of Assignee, (ii) to use its best efforts to maintain in full force and effect the Patents and the Licenses that are or shall be necessary or economically desirable in the operation of Assignor's business, and (iii) to notify Assignee immediately if it knows, or has reason to know, that any application or registration relating to any of the Patents may become abandoned, or of any adverse determination or development regarding Patents' ownership, validity or enforceability. Any expenses incurred in connection with the foregoing shall be borne by Assignor.

10. Assignee May Perform. If Assignor fails to perform any act or agreement contemplated or required of Assignor pursuant to this Agreement, the Assignee may itself perform, or cause performance of, such act or agreement, and the expenses of the Assignee incurred in connection therewith shall be payable by the Assignor under paragraph 12.

11. Assignee's Right to Sue. Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and the Licenses and, if Assignee shall commence any such suit, Assignor shall, at its own expense and at the request of Assignee, do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement. Assignor shall, upon demand, promptly reimburse Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this paragraph 11 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Assignee).

12. Indemnity and Expenses.

(a) Assignor agrees to defend, indemnify and hold Assignee harmless from any and all claims, liabilities, obligations, fees and costs, including, without limitation, actual attorneys fees and legal costs, that are reasonably incurred by Assignee that arise as a result of (i) Assignee's being joined to litigation arising out of any use of the Patents by Assignor, by licensees under the Licenses, or by any joint venturers, affiliates or related persons of the or (ii) Assignor's acts or omissions in connection with this Agreement, the Patents or Assignor's right, title or interest in or for the Patents.

(b) Assignor shall, from time to time on demand of the Assignee, reimburse the Assignee for all reasonable costs and expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, incurred in or in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Patent

Collateral, (iii) the exercise or enforcement of any of the rights of the Assignee hereunder or (iv) the failure by Assignor to perform or observe any of the provisions hereof.

13. Waivers. Assignee's failure, at any time or times hereafter, to require strict performance by Assignor of any provision of this Agreement shall not waive, affect or diminish any right of Assignee thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Assignor and Assignee have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Assignor contained in this Agreement shall be deemed to have been suspended or waived by Assignee unless such suspension or waiver is in writing signed by an officer of Assignee and directed to Assignor specifying such suspension or waiver.

14. Assignee's Exercise of Rights and Remedies Upon Default. All of Assignee's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of a Default, Assignee may (a) exercise any of the rights and remedies provided in this Agreement, the Loan Agreements and any documents attached to or referenced in the Loan Agreements or (b) take any other actions with respect to the Patent Collateral as Assignee deems in its best interest and allowed by applicable law, including the Uniform Commercial Code as adopted in the State of Washington from time to time.

15. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

16. Modification. This Agreement cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

17. Successors and Assigns. This Agreement shall be binding upon Assignor and its successors and assigns, and shall inure to the benefit of Assignee and its successors and assigns. Assignor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession to the extent that any of the foregoing are considered to be a successor or assign of or for the Assignor; provided, however, that Assignor shall not voluntarily assign or transfer its rights or obligations hereunder without Assignee's prior written consent.

18. Governing Law. This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in accordance with the internal laws (as opposed to conflicts of law provisions) and decisions of the State of Washington.

19. Notices. All notices and communications to the Assignor or Assignee shall be in writing and shall be (i) delivered in person, (ii) sent by facsimile, or (iii) mailed, postage prepaid, either by first class mail or by overnight express carrier, addressed as follows:

For Assignor:

SelfServe USA, Inc.  
12000 N.E. Suite 205 (12000 N.E. 8<sup>th</sup> St., Suite 205) (8)  
Bellevue, WA 98005  
Facsimile: (425) 452-9657

For Assignee:

Geraldine Genstler  
3821 Independence Hwy.  
Albany, OR 97321  
Facsimile: (541) 926-5424

All notices sent pursuant to the terms of this Section 19 shall be deemed received (i) if delivered in person, on the day delivered (ii) if sent by facsimile, on the day sent, (iii) if sent by overnight express carrier, on the day immediately following the day sent, or (iv) if sent by registered, certified mail or first class mail, on the third day following the day sent.

20. Assignee's Duty. Assignee shall not have any duty with respect to the Patents or the Licenses. Without limiting the generality of the foregoing, Assignee shall not be under any obligation to take any steps necessary to preserve the rights in the Patents or the Licenses against any other parties, but may do so at its option, and all expenses incurred in connection therewith shall be for the sole account of Assignor and added to the Obligations secured hereby.

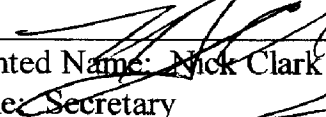
21. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

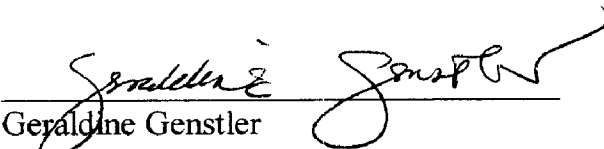
IN WITNESS WHEREOF, the duly authorized Officers of Assignor and Assignee have executed this Agreement.

ASSIGNOR:

ASSIGNEE:

SelfServe USA Inc.

By   
Printed Name: Nick Clark  
Title: Secretary

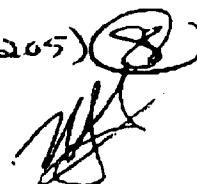
  
Geraldine Genstler



19. Notices. All notices and communications to the Assignor or Assignee shall be in writing and shall be (i) delivered in person, (ii) sent by facsimile, or (iii) mailed, postage prepaid, either by first class mail or by overnight express carrier, addressed as follows:

For Assignor:

SelfServe USA, Inc.  
12000 N.E. Suite 205 (12000 N.E. 8<sup>th</sup> St., Suite 205)  
Bellevue, WA 98005  
Facsimile: (425) 452-9657



For Assignee:

Geraldine Genstler  
3821 Independence Hwy.  
Albany, OR 97321  
Facsimile: (541) 926-5424

All notices sent pursuant to the terms of this Section 19 shall be deemed received (i) if delivered in person, on the day delivered (ii) if sent by facsimile, on the day sent, (iii) if sent by overnight express carrier, on the day immediately following the day sent, or (iv) if sent by registered, certified mail or first class mail, on the third day following the day sent.

20. Assignee's Duty. Assignee shall not have any duty with respect to the Patents or the Licenses. Without limiting the generality of the foregoing, Assignee shall not be under any obligation to take any steps necessary to preserve the rights in the Patents or the Licenses against any other parties, but may do so at its option, and all expenses incurred in connection therewith shall be for the sole account of Assignor and added to the Obligations secured hereby.

21. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

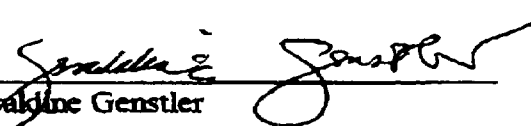
IN WITNESS WHEREOF, the duly authorized Officers of Assignor and Assignee have executed this Agreement.

ASSIGNOR:

ASSIGNEE:

SelfServe USA Inc.

By   
Printed Name: Nick Clark  
Title: Secretary

  
Geraldine Genstler

CERTIFICATE OF ACKNOWLEDGMENT

PROVINCE OF ALBERTA  
STATE OF \_\_\_\_\_ )  
CANADA ) ss.  
COUNTY OF \_\_\_\_\_ )

On February 11, 1999, NICK CLARK,  
personally appeared before me, known to me (or proved to me on the basis of satisfactory  
evidence) to be the person whose name is subscribed to the within instrument and acknowledged  
to me that he/she executed the same in his/her authorized capacity, and that by his/her signature  
on the instrument the person(s), or the entity upon behalf of which the person acted, execute the  
instrument.

WITNESS my hand and official seal.

Signature [Signature] (Seal)

My commission expires on DOES NOT EXPIRE, 19    .  
(ATTORNEY)  
TIMOTHY D. LARKIN  
A NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF  
ALBERTA  
BARRISTER & SOLICITOR

Acknowledgment in an Individual Capacity

State of OREGON

County of Linn

This instrument was acknowledged before me on 2-16, 1999 by Geraldine Genstler.

Jenelle Burt

Notary Public - State of Oregon

My commission expires: April 7, 2000



Schedule A  
to  
Patent Security Agreement

Patents

1. Secure Electronic Commerce Method and Apparatus filed October 22, 1996, U.S. Patent Serial No. 08/735,308.
2. Method for Defining and Verifying User Access Rights to Computer Information filed March 28, 1997, U.S. Patent Serial No. 08/827,548.

Schedule B  
to  
Patent Security Agreement

Patent Licenses