

FORM PTO-1619A

Expires 06/30/99  
OMB 0651-0027

08-11-1999



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RECORDATION FORM COVER SHEET  
PATENTS ONLYU.S. Department of Commerce  
Patent and Trademark Office

AUG 9 1999

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

Name (line 1) SandCraft, Inc.

Execution Date  
Month Day Year  
07211999

Name (line 2)

## Second Party

Name (line 1)

Execution Date  
Month Day Year

Name (line 2)

## Receiving Party

☐ Mark if additional names of receiving parties attached

Name (line 1) Venture Lending &amp; Leasing II, Inc.

Name (line 2)

Address (line 1) 2010 North First Street

Address (line 2) Suite 310

Address (line 3) San Jose

CA

95131

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)

08/11/1999 DC0000040 00003147

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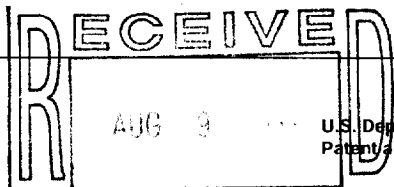
360.00 DP

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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: 010150 FRAME: 0674



**Correspondent Name and Address**

Area Code and Telephone Number (415) 981-1400

Name Douglas Carlen

Address (line 1) Greene Radovsky Maloney & Share LLP

Address (line 2) Four Embarcadero Center

Address (line 3) Suite 4000

Address (line 4) San Francisco, CA 94111

**Pages**

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

# 6

**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)**

08883147

09126680

09277659

08924604

09059614

09281620

09059615

08982822

09235148

**Patent Number(s)**

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.

# 9

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41): \$ 360.00

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.*

Douglas Carlen

Name of Person Signing

Signature

8/4/99

Date

## PATENT COLLATERAL AGREEMENT

This Agreement is made as of July 21, 1999, between SandCraft, Inc., a Delaware corporation, having a mailing address at 3003 Bunker Hill Lane, Suite 101, Santa Clara, CA 95054 ("Grantor"), and Venture Lending & Leasing II, Inc. ("Grantee"). Grantee's address is 2010 North First Street, Suite 310, San Jose, California 95131.

### RECITALS

A. Grantor owns the Patents and Patent applications listed on Schedule 1 hereto, and is a party to the Patent Licenses listed on Schedule 1 hereto;

B. Grantor and Grantee are parties to a Loan and Security Agreement of even date herewith (as the same may be amended from time to time, the "Loan Agreement");

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Grantee a security interest in certain personal property assets of Grantor, including all right, title and interest of Grantor in, to and under all of Grantor's Patents (as defined in the Loan Agreement), all of Grantor's Patent applications and all of Grantor's Patent Licenses (as defined in the Loan Agreement), whether presently existing or hereafter arising or acquired, and all products and proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof for the full term of the Patents, to secure the payment of the Obligations (as 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, Grantor hereby agrees with Grantee as follows:

1. To secure the complete and timely satisfaction of all Obligations, Grantor hereby grants and conveys to Grantee a continuing security interest in and lien on all of Grantor's entire right, title and interest in and to the Patents, Patent applications and Patent Licenses listed on Schedule 1 hereto (as the same may be amended pursuant hereto from time to time), including, without limitation, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof (collectively called the "Patents")).

2. Grantor covenants and warrants that:

(a) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) To the best of Grantor's knowledge, each of the Patents is valid and enforceable and Grantor has notified Grantee in writing of all prior art (including public uses and sales) of which it is aware;

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

(d) Grantor has the unqualified right to enter into this Agreement and perform its terms.

3. Grantor 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) which is inconsistent with Grantor's obligations under this Agreement, without Grantee's prior written consent; provided, that so long as no Default or Event of Default shall have occurred and be continuing, Grantor may grant licenses to third parties to use the Patents in the ordinary course of business of both Grantor and such third party on arm's length and customary business terms.

4. IF, BEFORE THE OBLIGATIONS SHALL HAVE BEEN SATISFIED IN FULL, GRANTOR SHALL OBTAIN RIGHTS TO ANY NEW PATENTABLE INVENTIONS, OR BECOME ENTITLED TO THE BENEFIT OF ANY PATENT APPLICATION OR PATENT FOR ANY REISSUE, DIVISION, CONTINUATION, RENEWAL, EXTENSION, OR CONTINUATION-IN-PART OF ANY PATENT OR ANY IMPROVEMENT ON ANY PATENT, THE PROVISIONS OF PARAGRAPH 1 SHALL AUTOMATICALLY APPLY THERETO AND GRANTOR SHALL GIVE TO GRANTEE PROMPT NOTICE THEREOF IN WRITING.

5. Grantor authorizes Grantee unilaterally to modify this Agreement by amending Schedule 1 to include any future Patents and Patent applications which are Patents under paragraph 1 or 4 hereof.

6. If any Event of Default shall have occurred and be continuing, Grantee 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 Patents may be located and, without limiting the generality of the foregoing, Grantee may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Grantor, all of which are hereby expressly waived to the extent permitted by law, and without advertisement, sell at public or private sale or otherwise realize upon, the whole or from time to time any part of the Patents, or any interest which the Grantor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including 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 Grantor. Notice of any sale or other disposition of the

Patents shall be given to Grantor at least ten (10) days before the time of any intended public or private sale or other disposition of the Patents is to be made, which Grantor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition Grantee may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of Grantor, which right is hereby waived and released.

7. Grantor hereby authorizes and empowers Grantee to make, constitute and appoint any officer or agent of Grantee, as Grantee may select in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power, after and during the continuance of an Event of Default, to endorse Grantor's name on all applications, documents, papers and instruments necessary for Grantee to use the Patents, or to grant or issue any exclusive or nonexclusive license under the Patents to any third person, or necessary for Grantee to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to any third person as a part of Grantee's realization on such collateral upon acceleration of the Obligations following an Event of Default. Grantor 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.

8. At such time as Grantor shall completely satisfy all of the Obligations this Agreement shall terminate and Grantee shall execute and deliver to Grantor all assignments, reconveyances or other instruments as may be necessary or proper to re-vest in Grantor full title to the Patents, subject to any disposition thereof which may have been made by Grantee 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 Grantee 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 Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, shall be borne and paid by Grantor within 10 days of receipt of invoice by Grantee and, if not paid when due, shall be added to the principal amount of the Obligations and shall bear interest at the highest applicable Default Rate.

10. Grantor shall have the duty, through counsel reasonably acceptable to Grantee, to prosecute diligently any Patent applications pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, and to preserve and maintain all rights in Patent applications and Patents, including, without limitation, the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by Grantor. The Grantor shall not abandon any right to file a Patent application, or any pending Patent application or Patent without the consent of Grantee, which consent shall not be unreasonably withheld.

11. Grantor shall have the right, with the consent of Grantee, which shall not be unreasonably withheld, to bring suit in its own name, and to join Grantee, if necessary, as a party to such suit so long as Grantee is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents. Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all damages, costs and expenses, including reasonable attorneys' fees incurred by Grantee, in accordance with the Loan Agreement.

12. No course of dealing between Grantor and Grantee, nor any failure to exercise, nor any delay in exercising, on the part of Grantee, 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.

13. All of Grantee's rights and remedies with respect to the Patents, 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.

14. 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 clause or provision of this Agreement in any jurisdiction.

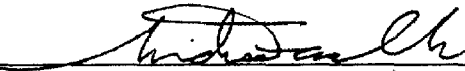
15. This Agreement is subject to modification only by a writing signed by both parties, except as provided in paragraph 5.

16. This Agreement shall be binding upon Grantor and Grantee and their respective permitted successors and assigns, and shall inure to the benefit of Grantor, Grantee and the respective permitted successors and assigns of Grantor and Grantee.


17. 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.

SANDCRAFT, INC.

By:   
Name: Simon S. Faulkner  
Title: VP/CFO

VENTURE LENDING & LEASING II, INC.

By:   
Name: SALVADOR O. GUTIERREZ  
Title: President

## EXHIBIT D

**SCHEDULE 1 TO  
PATENT COLLATERAL AGREEMENT**

## A. PATENTS AND PATENT APPLICATIONS:

<u>Application or Patent No.</u>	<u>Issue or Filing Date</u>	<u>Expiration Date</u>	<u>Title</u>
P001	06/27/97		Method and Apparatus for dual issue of program instructions to Symmetric Multi-functional Execution Units
P002	09/05/77		A Writeback Cache Cell and A Method for Operating a Writeback Cache
P003	04/13/98		System Bus Arbitrator for Facilitating Multiple Transactions in a Computer System
P004	07/30/98		Circuit, Architecture and Method for Analyzing The Operation of a Digital Processing System
P005	04/13/98		Method and Apparatus for Communications Signals Between Circuits Operating at Different Frequencies
P006	12/02/97		Cache Memory Cell with a Pre-programmed State
P007	In Progress		Clock Distribution and Design Method
P008	03/26/99		Apparatus and Method For Operating A Dual Port Memory Cell
P009	In Progress		Improved Barrel Shifter

P010	03/30/99	Processor With Multiple Execution Units and Local and Global Register Bypasses
P011	1/21/99	Floating-point And Integer Multiply-add And Multiply- accumulate
P012	In Progress	Clock Synchronization
P013	In Progress	Method And Apparatus For Vector Register With Scalar Values
P014	In Progress	Clamp Instruction
P015	In Progress	Extended Pretetch Instruction
P016	In Progress	Bit Encoding
P017	In Progress	Single Phase Edge Trigger Register

B. PATENT LICENSES:

<u>Corresponding Patent No.</u>	<u>Date License Granted</u>	<u>Licensee</u>	<u>Termination Date</u>
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