

09-27-2000



101473646

**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 9-14-00

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) Execution Date
Month Day Year

Name (line 2)

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) 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.)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

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

09/26/2000 MTHA11 00000437 08890941
01 FC:581 320.00 OP

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: 011097 FRAME: 0729

Correspondent Name and Address

Area Code and Telephone Number

Name

Federal Reserve Corp

Address (line 1)

Address (line 2)

400 Seventh St NW

Address (line 3)

Suite 101

Address (line 4)

Washington DC 20004

Pages

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

17

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)

08890941

08927615

Patent Number(s)

5526055

6002442

0405049

08/999788

5936675

08/927615

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.

8

Fee Amount

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

320⁰⁰

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.

MICHAEL GERARD FLETCHER, Esq.

9/11/00

Name of Person Signing
Attorney for General Bank

Signature

Date

RECORDING REQUESTED BY:

GENERAL BANK
4128 Temple City Boulevard
Rosemead, California 91770

**TRADEMARK, PATENT, COPYRIGHT
AND LICENSE SECURITY AGREEMENT**

THIS TRADEMARK, PATENT, COPYRIGHT AND LICENSE SECURITY AGREEMENT ("Agreement") dated as of July 14, 2000, made by AITECH INTERNATIONAL CORPORATION (the "Grantor"), having its principal place of business at 47971 Fremont Boulevard, Fremont, California 94538 in favor of GENERAL BANK (the "Bank"), located at 4128 Temple City Boulevard, Rosemead, California 91770.

RECITALS:

A. Grantor and Michael Chen and Jennifer Chen (collectively, the "Chens") are indebted to the Bank pursuant to a Stipulation for Entry of Judgment Upon Default dated January 11, 2000 ("Stipulation").

B. The obligations of Grantor and the Chens to Bank are secured by all of Grantor's right, title and interest in certain assets of Grantor pursuant to a Loan and Security Agreement dated December 14, 1995, by Grantor and Grantee ("Loan Agreement").

C. In addition to the security interest granted by Grantor under the Loan Agreement, and as a supplement thereto, Grantor has agreed, inter alia, to grant Bank a security interest in certain general intangibles including the Intellectual Property Collateral (hereinafter defined).

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Defined Terms. The following terms have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"Agreement" means this Trademark, Patent, Copyright and License Security Agreement, as the same may from time to time be amended, modified or supplemented.

"Copyrights" means copyrights, registrations and applications therefor and any and all (i) renewals and extensions thereof, (ii) income, royalties, damages and payments now and hereafter due or payable or both with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) rights to sue for past, present and future infringements thereof, and (iv) rights corresponding thereto throughout the world.

"Intellectual Property Collateral" has the meaning assigned to such term in Section 2 of this Agreement.

"Licenses" means license agreements granting Grantor any interest in intellectual property and any and all (i) renewals, extensions, supplements and continuations thereof, (ii) income, royalties, damages and payments now and hereafter due or payable to Grantor with respect thereto, including, without limitation, damages and payments for past or future violations or infringements thereof and (iii) rights to sue for past, present and future violations or infringements thereof.

"Patents" means patents registered in the United States or elsewhere, applications therefor and any and all (i) renewals thereof, (ii) income, royalties, damages and payments now or hereafter due or payable or both with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) rights to sue for past, present, or future infringements thereof, and (iv) rights corresponding thereto throughout the world.

"Trademarks" means trademarks (including service marks and trade names, whether registered or at common law), registrations and applications therefor and any and all (i) renewals thereof, (ii) income, royalties, damages and payments now and hereafter due or payable or both with respect thereto including, without limitation, damages and payments for past or future infringements thereof, (iii) rights to sue for past, present and future infringements thereof, and (iv) rights corresponding thereto throughout the world.

The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole, including the Exhibits and Schedules hereto, and not to any particular section, subsection or clause contained in this Agreement.

2. **Grant of Security Interest in Patents.** In order to secure the complete and due and punctual payment of all of the obligations of Grantor and the Chens to the Bank, Grantor hereby grants and conveys to the Bank as collateral security, a continuing security interest in all of Grantor's entire right, title and interest in and to intellectual property rights now owned or

existing and hereafter acquired or arising in the following assets (all of which being hereinafter referred to as the "Intellectual Property Collateral"):

- (i) all Trademarks of Grantor including, without limitation, the Trademarks listed on Schedule A hereto;
- (ii) all Copyrights of the Grantor including, without limitation, the Licenses listed on Schedule B hereto;
- (iii) all Licenses of Grantor including, without limitation, the Licenses listed on Schedule C hereto; and
- (iv) the entire goodwill of Grantor's business connected with the use of and symbolized by the Trademarks; and
- (v) all Patents of the Grantor including, without limitation, the patents listed on Schedule D hereto;

provided, however, that nothing hereunder constitutes or shall be deemed to constitute the grant of a security interest in favor of the Bank with respect to any Intellectual Property Collateral to the extent prohibited by applicable law.

3. Representations and Warranties; New Intellectual Property. (a) Grantor represents and warrants that it has the full right and power to grant the security interests provided for in this Agreement (subject to the exceptions contained herein) in the Trademarks, Patents and Licenses made hereby; that it has made no previous assignment, transfer or agreements in conflict herewith or constituting an assignment of, a transfer of or an encumbrance on any of the Trademarks, Copyrights, Patents and Licenses. Grantor further represents and warrants that (i) Schedules A, B, C and D, respectively, list all Trademarks, Copyrights, Licenses, and Patents owned or used by Grantor and which are material to any portion of its business or any of Grantor's subsidiaries or affiliates, (ii) the Intellectual Property Collateral does not infringe upon any rights owned or possessed by any entity not a party to this Agreement and, (iii) that it has delivered copies of all Licenses owned or used by Grantor or any of Grantor's subsidiaries or affiliates. Grantor further represents that it does not own or utilize any trade secrets in connection with the operation of its business.

(b) In the event, prior to the time the obligations of Grantor to the Bank have been indefeasibly paid in full, Grantor shall (i) obtain any rights to or interests in any new inventions, whether or not patentable, or trademarks, trade names, service marks, and applications therefor, or licenses, or (ii) become entitled to the benefit of any trademark application, trademark, trademark registration or license renewal, the provisions of this Agreement shall automatically apply thereto and anything enumerated in clauses (i) or (ii) shall constitute Intellectual Property

Collateral. Grantor shall give to the Bank prompt written notice thereof. Grantor agrees, promptly following the written request by the Bank, to amend this Agreement by amending any or all of Schedules A, B, C and D, as applicable, to include any such future trademarks, trademark registrations, trademark applications, trade names, service marks, trade secrets, patents, syndication rights, franchises and licenses which would be Intellectual Property Collateral.

4. Rights and Remedies: Application of Monies.

(a) Upon the occurrence and during the continuation of a default of any or all of Grantor's obligations to the Bank, the Bank may, to the fullest extent permitted by applicable law and without advertisement, hearing or process of law of any kind, (i) exercise any and all rights as beneficial and legal owner of the Intellectual Property Collateral, including, without limitation, any and all consensual rights and powers with respect to the Intellectual Property Collateral and (ii) sell or assign or grant a license or franchise to use, or cause to be sold or assigned or grant a license or franchise to use any or all of the Intellectual Property Collateral, in each case, free of all rights and claims of Grantor therein and thereto. Upon the occurrence and during the continuation of a default of any or all of Grantor's obligations to the Bank, the Bank may (i) sell or assign the Intellectual Property Collateral, or any part thereof, for cash or upon credit as the Bank may deem appropriate or (ii) grant licenses or franchises or both to use the Intellectual Property Collateral on such terms and conditions that the Bank shall determine. In connection therewith, the Bank shall have the right to impose such limitations and restrictions on the sale or assignment of the Intellectual Property Collateral as the Bank may deem to be necessary or appropriate to comply with any law, rule or regulation (federal, state or local) having applicability to any such sale and requirements for any necessary governmental approvals.

(b) Except as provided in this Section 4, Grantor hereby expressly waives, to the fullest extent permitted by applicable law, any and all notices, advertisements, hearings or process of law in connection with the exercise by the Bank of any of its rights and remedies hereunder. The Bank shall not be liable to any person for any incorrect or improper payment made pursuant to this Section 4, in the absence of willful misconduct.

(c) Notwithstanding any provisions of this Agreement to the contrary, if, after giving effect to any sale, transfer, assignment or other disposition of any or all of the Intellectual Property Collateral pursuant hereto and after the application of the proceeds hereunder to the obligations of Grantor to the Bank, any said obligations remain unpaid or unsatisfied, Grantor shall remain liable for the unpaid and unsatisfied amount of such remaining obligations.

(d) This Agreement is made to provide for and secure repayment of the obligations of Grantor and the Chens to the Bank.

5. Termination of Security Interest. This Agreement and the security interests created or granted hereby or thereby, shall terminate when the later of the following shall have occurred: (a) the date that all of the obligations of Grantor and the Chens to the Bank shall have been fully and indefeasibly paid and satisfied and (b) the date as of which the last of the commitments and related documents and instruments have terminated with respect to the Stipulation and the Loan Agreement. After such termination, the Bank (without recourse upon, or any warranty whatsoever by, the Bank), shall execute and deliver to Grantor for filing in each office in which any security agreement, notice or other filing, or any part thereof, shall have been filed, an instrument releasing the Bank's security interest in the Intellectual Property Collateral, and such other documents and instruments to terminate any security interest of the Bank granted hereby as the Grantor may reasonably request, all without recourse upon, or warranty whatsoever by, the Bank (except that the same shall be free and clear of any claims, liens or encumbrances created by or in respect of the Bank) and all at the cost and expense of Grantor.

6. Use and Protection of Intellectual Property Collateral. Notwithstanding anything to the contrary contained herein, unless an Event of Default has occurred and is continuing, Grantor may continue to exploit, license, franchise, use, enjoy and protect (whether in the United States of America or any foreign jurisdiction) the Intellectual Property Collateral in the ordinary course of business and the Bank shall from time to time execute and deliver, upon written request of Grantor and at Grantor's sole cost and expense, any and all instruments, certificates or other documents, in the form so requested, necessary or appropriate in the judgment of Grantor to enable Grantor to do so.

7. Duties of Grantor. Grantor shall have the duty to preserve and maintain all rights in the Intellectual Property Collateral in respect of which a failure to be able to continue to use the same would have a material adverse effect on the ownership, operation or maintenance of its business and operations, in a manner substantially consistent with its present practices and shall take all action reasonably requested by the Bank to register, record and/or perfect the Bank's right hereunder.

8. The Bank's Right to Sue. Whenever Grantor or the Chens, or any of them, shall have defaulted in any or all of its obligations to the Bank, the Bank shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks, Copyrights, Patents and Licenses, and, if the Bank shall commence any such suit, Grantor shall, at the request of the Bank, do any and all lawful acts and execute any and all proper documents required by the Bank in aid of such enforcement.

9. No Waiver; Cumulative Remedies. No failure on the part of the Bank to exercise, and no delay on the part of the Bank in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy by the Bank preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not

exclusive of any other remedies that may be available to the Bank whether at law, in equity or otherwise.

10. Notices, etc. All notices or other communications hereunder shall be given to the Bank as follows:

General Bank
4128 Temple City Boulevard
Rosemead, CA 91770

Notices to the Grantor should be addressed to:

Aitech International Corporation
47987 Fremont Boulevard
Fremont, CA 94538

11. Expenses of Collection. Grantor hereby agrees to pay all expenses of the Bank, including reasonable attorneys' fees, incurred with respect to the collection of any of the Intellectual Property Collateral and the enforcement of the rights of the Bank hereunder which expenses together with interest thereon at the rate provided in the Stipulation shall constitute obligations of Grantor to the Bank thereunder and, therefore, secured hereby.

12. Attorney-in-Fact. Grantor hereby irrevocably constitutes and appoints the Bank and any officer or agent thereof, with full power of substitution, as Grantor's true and lawful attorney-in-fact, for the purpose of taking such action and executing agreements, instruments and other documents, in the name of Grantor or otherwise, not inconsistent with the express provisions of this Agreement, as the Bank may deem necessary or advisable to accomplish the purposes hereof, which appointment is an agency coupled with an interest and is irrevocable until payment in full of all obligations of Grantor to the Bank.

The Bank agrees that except upon the occurrence and during the continuation of an Event of Default, it will forbear from exercising the power of attorney or any rights granted to the Bank pursuant to this Section 12.

13. Agreement Governing Law; Binding Character; Assignment. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to principles of conflicts of law. This Agreement shall be binding upon Grantor and the Bank and their respective successors and assigns and shall inure to the benefit of Grantor and the Bank, and their respective successors and assigns; provided, however, that Grantor may not assign its rights or obligations hereunder or in connection herewith or any interest herein (voluntarily, by operation of law or otherwise) without the prior written consent of the Bank. No other person (including, without limitation, any other creditor of Grantor) shall

have any interest herein or any right or benefit with respect hereto and this Agreement shall not be construed so as to confer any right or benefit upon any person other than the parties to this Agreement and each of their respective successors and assigns.

14. Further Indemnification. Grantor agrees to pay, and save the Bank harmless from, any and all liabilities with respect to, or resulting from any delay in paying (other than a delay caused by the willful misconduct of the Bank), any and all excise, sales or other similar taxes which may be payable with respect to the Intellectual Property Collateral or in connection with any of the transactions contemplated by this Agreement.

15. WAIVER OF JURY TRIAL. GRANTOR WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE STIPULATION, THE LOAN AGREEMENT OR ANY OF THE OTHER DOCUMENTS RELATED TO THE STIPULATION, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS OR COUNTERCLAIMS GROUNDED IN CONTRACT OR TORT.

16. Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

17. Headings. Paragraph and section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

18. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

19. Third Party Waivers.

a. At any time, in such manner and from time to time, upon such terms and at such times as it considers best and with or without notice to Grantor, and without affecting Grantor's continuing liability hereunder, Grantor authorizes the Bank to (i) change the time or manner of payment from the Chens of any of their obligations under the Stipulation by renewal, extension, acceleration or otherwise, (ii) alter or change any other provision under the Stipulation with respect to the Chens including the rate of interest thereon, (iii) accept partial payment on any of the Chens' obligations under the Stipulation, (iv) accept new or additional instruments, agreements or documents relative to any of the Chens' obligations under the Stipulation, (v) release, substitute or add one or more endorsers, cosigners or the Chens therefor, (vi) amend or modify the terms of the Stipulation with respect to the Chens, including the maximum liability thereunder, (vii) obtain collateral for the payment of any obligations of the Chens under the

Stipulation, (viii) waive, release, exchange, substitute, release or modify, in whole or in part, existing or after-acquired collateral securing payment of the obligations of the Chens under the Stipulation on such terms as Bank at its sole discretion shall determine, (ix) subordinate payment of all or any part of the obligations of the Chens under the Stipulation to other creditors of the Chens or other persons on such terms as Bank deems appropriate, (x) apply any sums received from the Chens, or any endorser or cosigner or from the sale or collection of collateral or its proceeds to any indebtedness whatsoever in any order and regardless of whether or not such indebtedness is secured hereby, is secured by collateral or is due and payable, (xi) apply any sums received from Grantor or from the sale of the Intellectual Property Collateral to any, all, or any portion of the obligations under the Stipulation in any order regardless of whether said obligations are due and payable, and (xii) exercise any right or remedy it may have with respect to any obligations under the Stipulation or any collateral securing any such obligations, this Agreement or Stipulation, including bidding and purchasing at any sale of any such collateral, and compromising, collecting or otherwise liquidating any collateral or any obligations.

b. Grantor acknowledges that Grantor may have certain rights under applicable law which, if not waived by Grantor, might provide Grantor with defenses against Grantor's liability under this Agreement. Among those rights are certain rights of subrogation, reimbursement, indemnification and contribution, and rights provided in sections 2787 to 2855, inclusive, of the California Civil Code ("CC") or other law in any other state or jurisdiction. Grantor waives all of Grantor's rights of subrogation, reimbursement, indemnification, and contribution, and any other rights and defenses that are or may become available to Grantor by reason of any or all of CC §§ 2787 to 2855, inclusive, or any other laws under any other state or jurisdiction including, without limitation, Grantor's rights:

(1) To require Bank to notify Grantor of any default by the Chens, provide Grantor with notice of any sale or other disposition of security for the Stipulation, disclose information with respect to the Chens' obligations under the Stipulation, the Chens, or any guarantor, co-signer or endorser, or with respect to any collateral;

(2) That Grantor's obligation under this Agreement must be commensurate with that of the Chens;

(3) To be discharged based upon the absence of any liability of the Chens, at any time, by virtue of operation of law, or otherwise, or due to any other disability or defense of the Chens or any endorser or co-signer;

(4) To be discharged if any of the terms, conditions or provisions of the Stipulation are altered in any respect regarding the Chens;

(5) To be discharged upon acceptance by Bank of anything in partial satisfaction of the Chens' obligations under the Stipulation, and/or if Bank

designates a portion of the Chens' obligations under the Stipulation to be satisfied;

(6) To be discharged upon any modification of the Chens' obligations under the Stipulation or the release by Bank of the Chens or any guarantor, endorser or co-signer;

(7) To require Bank to proceed against the Chens, or any other guarantor, endorser, co-signer, or other person, or to pursue or refrain from pursuing any other remedy in Bank's power;

(8) To receive the benefit of or participate in any and all security for repayment and/or performance of the Chens' obligations under the Stipulation;

(9) To have any security for the Stipulation first applied to satisfy or discharge the Stipulation;

(10) That any arbitration award rendered against the Chens not constitute an award against Grantor;

(11) To be discharged based upon any failure by Bank to perfect or continue perfection of any lien, use due diligence to collect all or any portion of the Stipulation, or if recovery against the Chens becomes barred by any statute of limitations, or if the Chens are not liable for any deficiency after Bank realizes upon any collateral; and

(12) To be discharged due to the release or discharge of any collateral for all or any portion of the Stipulation or relating to the validity, value or enforceability of any collateral.

Grantor further waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Agreement, notices of the existence, creation or incurring of any new or additional obligations, and all other notices and demands of any kind or nature whatsoever except as expressly set forth herein, including, without limiting the generality of the foregoing, notice of the existence, creation or incurring of new or additional obligations or of any action or non-action on the part of the Chens, Bank, any endorser, any guarantor, any creditor of the Chens or Grantor under this or any other instrument, or any other person whatsoever, in connection with any obligation or evidence of indebtedness of the Chens held by Bank as collateral or in connection with any such indebtedness.

c. Grantor, by execution hereof, represents and warrants to Bank that the relationship between Grantor and the Chens is such that Grantor has access to all relevant facts

and information concerning the indebtedness of the Chens under the Stipulation and the Chens, and each of them, and that Bank can rely upon Grantor having such access. Grantor waives and agrees not to assert any duty on the part of Bank to disclose to Grantor any facts that it may now or hereafter know about the Chens, regardless of whether Bank has reason to believe that any such facts materially increase the risk beyond that which Grantor intends to assume or has reason to believe that such facts are unknown to Grantor or has a reasonable opportunity to communicate such facts to Grantor. Grantor is fully responsible for being and keeping informed of the financial condition of the Chens and all circumstances bearing on the risk of non-payment of any indebtedness of the Chens to Bank.

d. Grantor acknowledges that all or a portion of the present or future obligations of the Chens to Bank is or may be secured by deeds of trust or mortgages covering certain interest in real property. Grantor understands that the exercise by Bank of certain rights and remedies contained in deed(s) of trust or other documents executed by or to be executed by the Chens or any other person or Bank's purchase or other acquisition of any real property or personal property collateral may impair, diminish, affect or eliminate Bank's rights against the Chens or any guarantor, endorser or co-signor including, without limitation, the right to seek and obtain a money judgment against the Chens and, therefore, Grantor's right of subrogation to seek a money judgment against the Chens or any such other party. Grantor further acknowledges that if Bank fails to bring an action against the Chens, or any of them, to obtain a deficiency judgment within the time required by California Code of Civil Procedure ("CCP") §580a or §726, Bank may be barred from seeking a money judgment against The Chens, or any of them.

e. Grantor further acknowledges that the exercise of any such rights and remedies by Bank, or any other action by Bank as hereinabove described, may also affect or eliminate Grantor's right of subrogation to seek a money judgment or Grantor's right to enforce other rights against the Chens or such other parties. Grantor may, therefore, succeed to a partially or totally non-reimbursable liability, and Grantor understands and acknowledges that Grantor's subrogation rights to seek a judgment or to pursue recovery against such parties, or to pursue collateral security for said obligations, or any of them, may, therefore, be substantially impaired or destroyed. Nevertheless, Grantor hereby authorizes and empowers Bank, at its sole option, without notice or demand and without affecting the liability of Grantor under this Agreement, to exercise, in its sole discretion, any rights and remedies, or any combination thereof, which may be available to it, including the right to foreclose by non-judicial sale, any or all of the deed(s) of trust or mortgage(s) or any other right or remedy Bank has, by law or in equity.

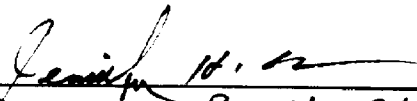
f. To the maximum extent permitted by law, Grantor further waives any and all rights to receive any notice of judicial or non-judicial sale or foreclosure of any real or personal property which may be the subject of any deed(s) of trust, mortgage(s) or other documents securing the obligations of the Chens under the Stipulation, and Grantor's failure to receive any such notice shall not impair or affect Grantor's liability. Notwithstanding any foreclosure of such real or personal property collateral securing the obligations of the Chens

under the Stipulation, whether by the exercise of the power of sale contained therein, by any action for judicial foreclosure, or by any acceptance of a deed or other transfer in lieu of foreclosure, whether or not such method of foreclosure or transfer in lieu of foreclosure was for a consideration equal to or greater than the fair market value of the security property, Grantor shall remain bound under this Agreement for the obligations of the Chens to Bank under the Stipulation (to the extent of the security interest in the Intellectual Property Collateral granted by Grantor to Bank in this Agreement.)

HAVING ACKNOWLEDGED THE FOREGOING RIGHTS AND DEFENSES WHICH GRANTOR MAY HAVE AND THE CONSEQUENCES OF WAIVING THE FOREGOING RIGHTS AND DEFENSES, AND GIVING THE FOREGOING AUTHORIZATIONS, GRANTOR HEREBY FURTHER WAIVES ALL RIGHTS AND DEFENSES ARISING OUT OF AN ELECTION OF REMEDIES BY BANK, EVEN THOUGH THAT ELECTION OF REMEDIES, SUCH AS A NON-JUDICIAL FORECLOSURE WITH RESPECT TO SECURITY FOR A GUARANTEED OBLIGATION, HAS DESTROYED GRANTOR'S RIGHTS OF SUBROGATION AND REIMBURSEMENT AGAINST THE CHENS BY THE OPERATION OF SECTION 580d OF THE CALIFORNIA CODE OF CIVIL PROCEDURE OR BY ANY OTHER LAW UNDER ANY OTHER STATE OR JURISDICTION OR OTHERWISE.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

AITECH INTERNATIONAL CORPORATION


By: Jennifer H. Chen
Its: v.p. Corporate Resources

SCHEDULE A
to the
Trademark, Patent, Copyright
and License Security Agreement between

Trademarks

1. REGISTERED MARKS

<u>Mark</u>	<u>U.S. Reg. No.</u>	<u>Description of Services</u>	<u>Date Filed</u>	<u>Date Registered</u>
GAMEPLAYERTV	1,917,770	Computer hardware and software for use in the filed multimedia, namely a computer interface board which converts the computer output to television or videotape recorder, in Class 9 (U.S. C.L.S. 26)	09/09/94	09/12/95
MULTIPRO CTV	1,987,939	Computer hardware and software for use in the field of multimedia, namely and external VGA to television an video encoder for personal computer in Class 9 (U.S. C.L.S. 21, 23, 26, 36, and 38).	07/10/95	07/23/96
PROC/TV PLUS	1,916,284	Computer hardware and software for use in the field of multimedia, namely an external encoder which converts the computer output to television or videotape recorder in Class 9 (U.S. C.L.S. 26 and 38).	09/12/94	09/05/95

<u>Mark</u>	<u>U.S. Reg. No.</u>	<u>Description of Services</u>	<u>Date Filed</u>	<u>Date Registered</u>
VISION FOR MULTIMEDIA	1,976,606	Computer peripherals; and computer interface boards for video application; software and instruction manuals sold as a unit for the purpose of running the computer peripherals and computer interface board. in Class 9 (U.S. C.L.S. 21, 23, 26, 36, and 38).	06/12/95	05/28/96
VSPRO	2,024,659	Computer hardware, namely a computer interface board and integrated circuit; computer software and instruction manual, sold as a unit, for the purpose of running the computer interface board and integrated circuits in Class 9 (U.S. C.L.S. 21, 23, 26, 36 and 38).	07/12/95	12/17/96
WIRELESS BANDIT	1,971,461	Computer hardware, software instruction manual sold as a unit for use in the field of multimedia, namely a wireless game controller, in Class 28 (U.S. C.L.S. 22, 23, 38 and 50).	03/24/95	04/30/96

2. APPLICATIONS PENDING FOR REGISTERED MARKS

<u>Mark</u>	<u>Serial No.</u>	<u>Date of Filing</u>	<u>Description of Services</u>
FLIC-FREE		08/01/96	Computer hardware, software and instruction manual that sold as a unit for video signal processing.
PC/TV AIRLINK	75/285160	04/03/97	Personal computer to television signal converter system.

3. UNREGISTERED MARKS

<u>Mark</u>	<u>Description of Services</u>
INTERNETV	Television sets that can be connected with personal computer systems allowing users to view computer techs and/or graphics
AIGOTCHA!	Plug and play device connecting it to the external parallel port; by connecting to a video source, high quality image can be captured into any of the supported graphic file formats.
AIRLINK	

4. PENDING INTERNATIONAL TRADEMARK REGISTRATIONS

<u>Mark</u>	<u>Country</u>	<u>Filing Date</u>	<u>Registration No</u>	<u>Class Description</u>
-------------	----------------	--------------------	------------------------	--------------------------

NONE

SCHEDULE B
to the
Trademark, Patent, Copyright
and License Security Agreement between

Copyrights

NONE

SCHEDULE C
to the
Trademark, Patent, Copyright
and License Security Agreement
between

Licenses

Granted By Third
Parties In Favor of Grantor

NONE

SCHEDULE D
to the
Trademark, Patent, Copyright
and License Security Agreement between
between

Patents

<u>Title</u>	<u>Application/ Patent No.</u>	<u>Filing Date</u>	<u>Date of Patent</u>
Method and apparatus to drive a television color subcarrier frequency signal from a computer video signal.	5,526,055	05/15/95	06/11/96
Method and apparatus for reducing flickers in video signal.	6,002,442	04/01/97	12/14/99
X-Cable between a TV and a computer	DES. 405,049	09/11/97	02/02/99
Method and apparatus for reducing video data memory in converting VGA signals to TV signal.	App. No. 08/890,941 (pending)	07/10/97	
Method and architecture for reducing flickers using one FIFO VIDEO LINE BUFFER AND VIDEO SIGNAL CONVERSIONS	5,936,675	04/28/98	08/10/99
Method and apparatus for performing image downscaling and inverse discrete cosine transform	Docket No. 08/999,788 (pending)	10/14/97	
Communication Cable Capable of Converting Computer Video Signal to TV Compliant Signal	App. No. 08/927,615 (pending)	09/11/97	