

12-26-2000



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To the Honorable Commissioner of Patents

original documents or copy thereof.

1. Name of conveying party(ies):

ETERA CORPORATION

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

3. Nature of Conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other:

Execution Date: August 17, 2000

Name: IMPERIAL BANK
 Address: 5330 Carillon Point
 City: Kirkland State: WA Zip: 98033

12-6-00

Additional name(s) & address(es) attached? Yes No

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

If this Document is being filed together with a new application, the execution date of the application is:

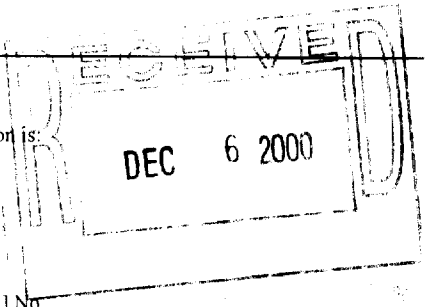
A. Patent Application No.(s)

09/522,225

B. Patent No.(s)

5,331,908

Additional numbers attached? Yes No



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

Name: Evelyn G. Santiago
 Internal Address: GRAY CARY WARE & FREIDENRICH
 400 Hamilton Avenue
 Palo Alto, CA 94301

6. Total number of applications and patents involved: 2

7. Total fee (37 CFR 3.41) \$ 80.00

Enclosed

8. Deposit account number: _____
 Please debit any underpayment or credit any overpayment to the above deposit account.

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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

Evelyn G. Santiago
 Name of Person Signing

December 4, 2000
 Date

Total number of pages comprising cover sheet: ()

OMB No. 0651-0011 (exp 4/94)

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 Mail documents to be recorded with required cover sheet information to:

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of August 17, 2000 by and between IMPERIAL BANK ("Bank") and ETERA CORPORATION a Washington corporation, as successor by merger to Etera, LLC, a Washington limited liability company ("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 of even date herewith (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 and Patents 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 and under all other agreements now existing or hereafter arising between Grantor and Bank, 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 and Trademarks listed on Schedules A, B and C 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.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

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.

GRANTOR:

ETERA CORPORATION

Address of Grantor:

14113 River Bend Road
Mt. Vernon, WA 98273

Attn: Eric Peterson / Steven Geiger

By:  _____

Title: CFO / SECRETARY

BANK:

IMPERIAL BANK

Address of Bank:

5330 Carillon Point
Kirkland, WA 98033

Attn: JP Michael

By:  _____

Title: VP

EXHIBIT A

Copyrights

Description

Registration/
Application
Number

Registration/
Application
Date

EXHIBIT B

Patents

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Method of growing perennials	5,331,908	07/26/94
Systems and methods for providing product info via electronic communications	09/522,225	03/09/00

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Garden of the year	76/046,369	05/10/00
(Design only)	2,273,173	08/24/99
Terra-plug	1,789,959	07/27/93
Etera	2,290,285	11/02/99
(Design only)	75/431,800	02/10/98
Etera	75/592,999	11/20/98