

07-26-2002



102170504

ATTN. BOX ASSIGNMENTS

To the Honorable Commissioner of
Please record the attached original

1. Name of conveying party(ies): Bright Microelectronics, Inc.	2. Name and address of receiving party(ies): Name: Winbond Electronics Corporation
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Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Internal Address: No. 4, Creation Road 3
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3. Nature of conveyance:	Street Address: Science-Based Industrial Park
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<input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger	City: Hsinchu
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<input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name	State: Taiwan R.O.C.	Zip Code: N/A
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<input type="checkbox"/> Other:	Additional name(s) & Address(es) attached?
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Execution Date: March 2 and 3, 1999	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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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: No application being filed

A. Patent Application Number(s):	B. Patent Number(s): <u>5,367,185</u>
Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

5. Name and address of party to whom correspondence concerning document should be mailed:	6. Total number of applications and registrations involved: 1
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Name: Yitai Hu	7. Total fee (37 CFR 3.41): \$40X1 = \$40
	<input checked="" type="checkbox"/> Enclosed (Please charge deficiency to deposit account)
	<input type="checkbox"/> Authorized to be charged to deposit account

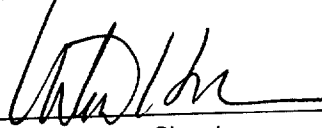
Internal Address: FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER, L.L.P.	8. Deposit Account No.: 06-0916
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Street Address: 1300 I Street, N.W.	
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City: Washington, D.C.	
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State: Zip: 20005-3315	
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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.


Signature

7/22/02
Date

Yitai Hu
Reg. No. 40,653

Total number of pages including cover sheet, attachments and documents: 11

07/25/2002 TBIAZ1 00000121 5367185

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ASSIGNMENT

WHEREAS Bright Microelectronics, Inc., a California corporation whose post office address is 1012 Stewart Avenue, Sunnyvale, CA 94086, hereinafter referred to as Assignor, owns and has assigned U. S. patent No. 5,367,186, entitled "NON-VOLATILE SEMICONDUCTOR MEMORY WITH THIRD ELECTRODE COVERING CONTROL GATE" ("PATENT"); and

WHEREAS, Winbond Electronics Corporation, a corporation of Taiwan, the Republic of China, whose post office address is Winbond Electronics Corporation, No. 4, Creation Road 3, Science-Based Industrial Park, Hsinchu, Taiwan, R.O.C. (hereinafter referred to as Assignee), is desirous of securing fifty-percent (50%) of Assignor's rights, titles, and interests in and to the PATENT;

NOW THEREFORE, be it known that for and in consideration of the sum of One Dollar (\$1.00) in hand paid and other good and valuable consideration the receipt of which from Assignee is hereby acknowledged, Assignor has sold, assigned, transferred, and set over, and does hereby sell, assign, transfer, and set over unto the Assignee, its lawful successors and assigns, fifty-percent (50%) of Assignor's right, title, and interest in and to the PATENT, all patents, reissues and reexaminations thereof; and Assignor hereby authorizes and requests the Commissioner of Patents and Trademarks of the United States to record the assignment in accordance with the terms of this Assignment;

AND, ASSIGNOR HEREBY covenants that Assignor has the full right to convey the interest assigned by this Assignment, and Assignor has not executed and will not execute any agreement in conflict with this Assignment;

AND, ASSIGNOR HEREBY further covenants and agrees that Assignor will, without further consideration, communicate with Assignee, its successors and assigns, any facts known to Assignor respecting the PATENT, and testify in any legal proceeding, sign all lawful papers when called upon to do so, execute and deliver any and all papers that may be necessary or desirable to perfect the title to the PATENT in said Assignee, its successors or assigns, execute all patents and reissue patents, make all rightful oaths and generally do everything possible to aid Assignee, its successors and assigns, to obtain and enforce proper patent protection for the PATENT in the United States, it being understood that any expense incident to the execution of such papers shall be borne by Assignee, its successors and assigns.

THIS ASSIGNMENT is subjected to the terms and conditions listed in the attached "Bridge Loan Agreement" signed between BMI and Winbond on 3/2, 1999.

[Signature] 3/2/99
AUTHORIZED SIGNATURE ON BEHALF OF ASSIGNOR DATE

[Signature] 3/3/99
AUTHORIZED SIGNATURE ON BEHALF OF ASSIGNEE DATE

C:\WINBOND\DEVELOPMENT\K96.DOC

[Handwritten initials]

"Obligations" means all loans, advances, debts, liabilities and obligations for monetary amounts owing by Borrower to Lender, whether due or become due, matured or unmatured, liquidated or unliquidated, contingent or non-contingent, and all covenants and duties regarding such amounts, of any kind of nature, present or future, whether not evidenced by any note, agreement or other instrument, arising under this Agreement. Obligation includes, without limitation, all principal, interest (including interest that accrues after the commencement against Borrower under the Bankruptcy Code), fees, expenses, costs or other amounts chargeable to Borrower under this Agreement.

1.2 Accounting Terms

All accounting terms not specifically defined herein shall be construed in accordance with GAAP and all calculations made hereunder shall be made in accordance with GAAP. When used herein, the terms "financial statements" shall include the notes and schedules thereto.

2. LOAN AND TERMS OF PAYMENT

2.1 Advance

(a) Subject to and upon terms and conditions of this Agreement, Lender shall make one (1) Advances to Borrower the amount of _____ to be forwarded to the Borrower on or before March 01, 1999, whereas the specific date can be further decided by the parties. Interest shall accrue from the date of each Advance at the rate determined below, and shall be payable monthly on the first day of each month for each month through the period before the Maturity Date.

(b) Interest. The outstanding principal balance of each Advance shall bear interest until principal is paid (computed daily on the basis of a 360-day year and actual days elapsed) at a rate of 12% per annum.

(c) Repayment. The entire outstanding principal amount and the interest accrued but unpaid thereon of Advances shall be due and payable on the Maturity Date.

(d) Prepayment of Advances. Borrower may at any time prepay any Advance, in full or in part. Each prepayment shall be made upon the irrevocable written or telephone notice of Borrower received by Lender not less than three (3) Business Days prior to the date of the prepayment of the Advance. The notice of prepayment shall specify the date of the prepayment, the amount of the prepayment, and the Advance or Advances prepaid. Each prepayment of an Advance shall be accompanied by the payment of accrued interest on the amount prepaid.

3. CONDITIONS OF LOANS

3.1 Conditions Precedent to Initial Advance. The obligation of Lender to make the initial Advance is subject to the condition precedent that Borrower shall have provided to Lender (and, in subsection 3.1(d) hereof, Lender's parent company, WINBOND ELECTRONICS CORPORATION ("WEC"),



a company incorporated in Taiwan, Republic of China), in form and substance satisfactory to Lender, the following:

(a) this Agreement;

(b) a certificate of the Secretary of Borrower with respect to incumbency and resolutions authorizing the execution and delivery of this Agreement; and

(c) such other documents, and completion of such other matters, as Lender may reasonably deem necessary or appropriate.

(d) a security interest in Borrower's assets listed in Appendix A hereof ("Collateral") to secure Advances.

3.2 Conditions Precedent to Advances. The obligation of Lender to make each Advance is further subject to the following condition that the representations and warranties contained in Section 4 shall be true and correct in all material respects on and as of the date of this Agreement and on the effective date of Advance as though made at and as of such date, and no Event of Default shall have occurred and be continuing, or would result from such Advance. The request for Advance shall be deemed to be a representation and warranty by Borrower on the date of such Advance as to the accuracy of the facts referred to in this Section 3.2.

4. REPRESENTATIONS AND WARRANTIES.

Borrower represents and warrants as follows:

4.1 Due Organization and Qualification. Borrower is a corporation duly existing under the laws of its state of incorporation and qualified and licensed to do business in any state in which the conduct of its business or its ownership of property requires that it be so qualified, except where failure to so qualify would not have a Material Adverse Effect.

4.2 Taxes. Borrower has filed or caused to be filed all tax returns required to be filed, and has paid, or has made adequate provision for the payment of, all taxes reflected therein.

4.3 Subsidiaries. Borrower does not own any stock partnership interest or other equity securities of any person, except as disclosed in writing to Lender.

4.4 Government Consents. Borrower has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all governmental authorities that are necessary for the continued operation of Borrower's business as currently conducted, the failure to obtain which could have a Material Adverse Effect.

4.5 Full Disclosure. No representation, warranty or other statement made by Borrower in any certificate or written statement furnished to Lender contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained in such certificates or statements not misleading, as of the date of this Agreement.

5. AFFIRMATIVE COVENANTS.

Borrower covenants and agrees that, until payment is full of all outstanding Obligations, and for so long as Lender may have any commitment to make an Advance hereunder, Borrower shall do all of the following:

- 5.1 Good Standing. Borrower shall maintain its corporate existence in its jurisdiction of incorporation and maintain qualification in each jurisdiction in which the failure to so qualify could have a Material Adverse Effect. Borrower shall maintain in force all licenses, approvals and agreements, the loss of which could have a Material Adverse Effect.
- 5.2 Government Compliance. Borrower shall meet the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA. Borrower shall comply with all statutes, laws, ordinances and government rules and regulations to which it is subject, noncompliance with which could have a Material Adverse Effect.
- 5.3 Financial Statements, Reports, Certificates. Borrower shall deliver to Lender: (a) as soon as available, a company prepared consolidated balance sheet and income statement covering Borrower's consolidated operations during such period; (b) as soon as available, audited consolidated financial statements of Borrower prepared in accordance with GAAP, consistently applied; (c) within five (5) days of filing, copies of all financial statements and reports sent or made available generally by Borrower to its security holders; and (d) such budgets, sales projections, operating plans or other financial information as Lender may reasonably request from time to time.
- 5.4 Taxes. Borrower shall make due and timely payment or deposit of all material federal, state, and local taxes, assessments, or contributions required of it by law, and will execute and deliver to Lender, on demand, appropriate certificates attesting to the payment or deposit thereof; and Borrower will make timely payment or deposit of all material tax payments and withholding taxes required of it by applicable laws, including, but not limited to, those laws concerning F.I.C.A., F.U.T.A., state disability, and local, state, and federal income taxes, and will, upon request, furnish Lender with proof satisfactory to Lender indicating that Borrower has made such payments or deposit, provided that Borrower need not make any payment if the amount or validity of such payment is contested in good faith by appropriate proceedings and is reserved (to the extent required by GAAP) by Borrower.
- 5.5 Further Assurances. At any time and from time to time Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Lender to effect the purposes of this Agreement.

6. NEGATIVE COVENANTS.

Borrower covenants and agrees that, so long as any credit hereunder shall be available and until payment in full of the outstanding Obligations or for so long as Lender may have any commitment to make any Advances, Borrower will not do any of the following:

- 6.1 Dispositions. Convey, sell, lease, transfer or otherwise dispose of (collectively, a "Transfer"), or permit any of its subsidiaries to Transfer, all or any part of its business or property; (i) Transfers of inventory in the ordinary course of business; (ii) Transfers of non-exclusive licenses and similar arrangements for the use of the property of Borrower or its subsidiaries; or (iii) Transfers of worn-out or obsolete equipment.

- 6.2 Change in Business. Engage in any business, or permit any of its subsidiaries to engage in any business, other than the businesses currently engaged in by Borrower and any business substantially similar or related thereto (or incidental thereto), or suffer a material change in Borrower's ownership.
- 6.3 Indebtedness. Create, incur, assume or be or remain liable with respect to any indebtedness, or permit any subsidiary so to do.
- 6.4 Encumbrances. Create, incur, assume or suffer to exist any lien with respect to any of its property, or assign or otherwise convey any right to receive income, including the sale of any Accounts, or permit any of its subsidiaries so to do.
- 6.5 Distributions. Pay any dividends or make any other distribution or payment on account of or in redemption, retirement or purchase of any capital stock.

7. EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an Event of Default by Borrower under this Agreement:

- 7.1 Payment Default. If Borrower fails to pay the principal of, or any interest on, any Advances on Maturity Date, or fails to pay any of the other Obligations not constituting principal or interest within fifteen (15) days of receipt by Borrower of an invoice for such other Obligations;
- 7.2 Covenant Default. If Borrower fails to perform any obligation under Section 5 or violates any of the covenants contained in Section 6 of this Agreement, or fails or neglects to perform, keep, or observe any other material term, provision, condition, covenant, or agreement contained in this Agreement, and has failed to cure such default within ten (10) Business Days after Borrower receives notice thereof or any officer of Borrower becomes aware thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) Business Day period or cannot after diligent attempts by Borrower be cured within such ten (10) Business Day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed twenty (20) Business Days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default (provided that no Advances will be required to made during such cure period);
- 7.3 Material Adverse Change. If an event occurs that has or is reasonably likely to result in a Material Adverse Effect;
- 7.4 Attachment. If any material portion of Borrower's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity and such attachment, seizure, writ or distress warrant or levy has not been removed, discharged or rescinded within ten (10) days, or if Borrower is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of Borrower's assets, or if a notice of lien, levy, or assessment is filed of record with respect to any of Borrower's assets by the United States Government, or any department, agency, or instrumentality thereof, or buy any state, county, municipal, or governmental agency, and the same

is not paid within ten (10) days after Borrower receives notice thereof, provided that none of the foregoing shall constitute an Event of Default action or event is stayed or an adequate bond has been posted pending a good faith contest by Borrower (provided that no Advances will be required to be made during such cure period);

- 7.5 Insolvency. If Borrower files a voluntary bankruptcy petition or an involuntary petition is filed against Borrower which is not dismissed within thirty (30) days from the date of filing of such petition;
- 7.6 Misrepresentation. If any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth herein or in any certificate delivered to Lender as of the date such representation or warranty was made pursuant to this Agreement or to induce Lender to enter into this Agreement; provided, that the Borrower fails to cure such default within five (5) business days after Borrower receives notice thereof or any officer of Borrower becomes aware thereof; provided, however, that if the default cannot by its nature be cured within the five (5) business day period or cannot after diligent attempts by Borrower be cured within such five (5) business day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed ten (10) business days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default (provided that no Advances will be required to be made during such cure period);

8. LENDER'S RIGHTS AND REMEDIES.

- 8.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Lender may notify its election and demand, as specified hereinafter, to Borrower and Graham & James. If Borrower fails to object to the occurrence of Event of Default by responding such notice of demand to Borrower within five (5) business days upon receipt of such notice, Lender may do any one or more of the following, all of which are authorized by Borrower:
- (a) Declare all Obligations, whether evidenced by this Agreement or otherwise, immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 7.5 all Obligations shall become immediately due and payable without any action by Lender);
 - (b) Cease advancing money or extending credit to or for the benefit of Borrower under this Agreement or under any other agreement between Borrower and Lender; and
 - (c) Foreclose Collateral and transfer half of Borrower's ownership of Collateral to Lender or WEC.
- 8.2 Borrower may object to the occurrence of Event of Default within five (5) business days upon receipt of the notice of demand, as set forth in Section 8.1 hereof, by submitting the underlying dispute to arbitration under the Rules of Conciliation and Arbitration of International Chamber of Commerce. Such arbitration shall be conducted in the city of San Francisco, and the language shall be English.
- 8.3 Remedies Cumulative. Lender's rights and remedies under this Agreement shall be cumulative. Lender shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by Lender of one right or remedy shall be deemed an election, and no waiver by Lender of any Event of Default on Borrower's part shall be deemed a

continuing waiver. No delay by Lender shall constitute a waiver, or acquiescence by it. No waiver by Lender shall be effective unless made in a written document signed on behalf of Lender and then shall be effective only in the specific instance and for the specific purpose for which it was given.

- 8.4 Demand; Protest. Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees at any time held by Lender on which Borrower may in any way be liable.

9. NOTICES

Unless otherwise provided in this Agreement, all notices or demands by any party relating to this Agreement or any other agreement entered into in connection herewith shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by a recognized overnight delivered or sent by a recognized overnight delivery service, certified mail, postage prepaid, return receipt requested, or by telefacsimile to Borrower or to Lender, as the case may be.

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other.

10. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of California, without regard to principles of conflicts of law. Each of Borrower and Lender hereby submits to the exclusive jurisdiction of the state and Federal courts located in the County of Santa Clara, State of California. BORROWER AND LENDER EACH HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

11. GENERAL PROVISIONS.

- 11.1 Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Borrower without Lender's prior written consent, which consent may be granted or withheld in Lender's sole discretion. Lender shall have the right without the consent of or notice to Borrower to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, Lender's obligations, rights and benefits hereunder.

11.2 Indemnification. Borrower shall defend, indemnify and hold harmless Lender and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities or asserted by any other party in connection with the transactions contemplated by this Agreement; and (b) all losses in any way suffered, incurred, or paid by Lender as a result of or in any way arising out of, following, or consequential to transactions between Lender and Borrower whether under this Agreement or otherwise, except for losses caused by Lender's gross negligence or willful misconduct.

11.3 Time of Essence. Time is of the essence for the performance of all obligations set forth in this Agreement.

11.4 Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement of the purpose of determining the legal enforceability of any specific provision.

11.5 Amendments in Writing, Integration. This Agreement cannot be amended or terminated orally. All prior agreements, understandings, representations, warranties, and negotiations between the parties hereto with respect to the subject matter of this Agreement, if any, are merged into this Agreement.

11.6 Counterpart. This Agreement may be executed in any number of counterpart and by different parties on separate counterpart, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement.

11.7 Survival. All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any Obligations remain outstanding. The obligations of Borrower to indemnify Lender with respect to the expenses, damages, losses, costs and liabilities described in Section 11.2 shall survive until all applicable statute of limitations periods that may be brought against Lender have run.

ORIOLE HOLDING CORPORATION

By: Carlin Y. L. 3/31/PPP

Title: _____

BRIGHT MICRO ELECTRONICS, INC.

By: Mark J. Ma

Title: President

[Handwritten mark]

APPENDIX A : Collateral for loan to BMI

For the payment of [REDACTED], the collateral shall be the following three items.

(1) Half of BMI ownership of the following two U. S. patents.

U. S. patent No. 5,290,721, entitled "METHOD OF MAKING STACKED SEMICONDUCTOR NON-VOLATILE MEMORY DEVICE," and

U. S. patent No. 5,367,185, entitled "NON-VOLATILE SEMICONDUCTOR MEMORY WITH THIRD ELECTRODE COVERING CONTROL GATE"

(2) Half of BMI ownership of the following U. S. patent application.

U. S. patent Application Serial No. 08/948,145, entitled "PROGRAMMING CURRENT LIMITER FOR SOURCE-SIDE INJECTION EEPROM CELLS"

(3) Half of BMI ownership of the following SEVEN Japanese patent applications.

TOKU-GAN-HEI 2-173801, entitled "Non-volatile semiconductor device and method of making that device,"

TOKU-GAN-HEI 6-73603, entitled "Method of making a non-volatile memory."

TOKU-GAN-HEI 3-159040, entitled "Method of making a non-volatile semiconductor device,"

TOKU-GAN-HEI 2-180092, entitled "Non-volatile semiconductor memory device,"

TOKU-GAN-HEI 3-132722, entitled "Non-volatile semiconductor memory,"

TOKU-GAN-HEI 3-132723, entitled "Method of making a non-volatile semiconductor memory."

TOKU-GAN-HEI 5-282749, entitled "Method of making a non-volatile semiconductor memory."

Note : It is understood that WEC gets half of the BMI ownership of the patents and patent applications. If the patent or application is wholly owned by BMI, then WEC gets 50% of the ownership; if BMI owns 50%, then WEC gets half of BMI's 50%; if BMI owns 25%, then WEC gets half of BMI's 25%.

BMI will execute patent and application assignment sheets. Actual documents and data base of these collaterals will be filed with a designated third party until the time for assignment. For this purpose, Graham and James will serve as the designated third party.

Upon occurrence of an Event of Default, Winbond would notify the third party and BMI. BMI would have five (5) days to disagree that an Event of Default had occurred or else the third party would transfer the assignments and data base tape to Winbond for Winbond to act as provided in the agreement.