

Form PTO-1595
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RECORDATION FORM COVER SHEET PATENTS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent And Trademark Office

To the Honorable Commissioner For Patents: Please record the attached original documents or copy thereof:

1. Name of conveying party(ies):

Pacific Data Images, Inc.

Additional name(s) of conveying party(ies) attached?

Yes No

3. Nature of Conveyance:

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

Execution Date: April 20, 1997

2. Name and address of receiving party(ies):

Name: Pacific Data Images LLC

Internal Address:

Street Address: 1800 Seaport Blvd.

City: Redwood City

State: CA Zip: 94063

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): 08/740,359

B. Patent No.(s): US 6,108,011

Additional numbers attached? Yes No

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

Name: Robert A. Hulse, Esq.
 Internal Address: Fenwick & West LLP
 Street Address: Silicon Valley Center
 801 California Street
 City: Mountain View State: CA Zip Code: 94041

6. Total number of applications and patents involved: [1]

7. Total fee (37 CFR 3.41): \$40.00

- Check Enclosed
- Fee Transmittal Enclosed
- Charge the indicated fees to the below mentioned deposit account.

8. Deposit Account No.: 19-2555

DO NOT USE THIS SPACE

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.

Robert A. Hulse, Reg. No. 48,473

Name of Person Signing



Signature

July 3, 2003

Date

Total number of pages including cover sheet, attachments, documents: [6]

Case Docket No.: 11914-02610

700035350

PATENT 11914/02610/SF/5102777.1
REEL: 013776 FRAME: 0204

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EXECUTION COPY

ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of April 20, 1997, by and between PACIFIC DATA IMAGES, INC., a California corporation ("Assignor"), and PACIFIC DATA IMAGES L.L.C., a Delaware limited liability company ("Assignee"; all capitalized terms used and not otherwise defined herein shall have the meaning assigned to such terms in Appendix A to the Master Agreement dated as of October 11, 1996, between DreamWorks L.L.C., a Delaware limited liability corporation ("DreamWorks"), and Assignor (the "Master Agreement").

WHEREAS, pursuant to the Master Agreement, Assignor and DreamWorks have entered into the New PDI LLC Agreement (which for purposes of this Agreement means such agreement as amended and restated as of the date hereof) to govern the operations of Assignee;

WHEREAS Assignee and DreamWorks are entering into the Production Agreement simultaneously with the execution hereof; and

WHEREAS Assignor has agreed to contribute and assign all its operating assets to Assignee and, in connection therewith, Assignee has agreed to assume all related operating liabilities as provided herein and in the Master Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Transfer of Assets. Effective as of the date hereof, Assignor hereby conveys, assigns, transfers and delivers to Assignee Assignor's entire right, title and interest existing on the date hereof in, to and under the Contributed Property, which shall mean all of Assignor's operating assets, business, properties, goodwill and rights including, without limitation:

(i) all cash, cash equivalents and working capital, other than \$75,000, which shall be retained by Assignor;

(ii) all raw materials, work-in-process, finished goods, supplies, parts and all other inventory, including inventory in transit;

(iii) all property, plant and equipment;

(iv) all Intellectual Property Rights, trade secrets, inventions, know-how, formulae, processes, procedures, research records and records of inventions and other intangible assets;

(v) all permits, licenses, franchises, approvals and authorizations by governmental or regulatory authorities or bodies;

(vi) all contracts, leases, indentures and other agreements (including the Employment Agreements), whether oral or written;

(vii) all equity interests in any corporation, partnership, joint venture, trust or other business association;

(viii) all books of account, general, financial, accounting and personnel records, files, invoices, lists of customers, lists of suppliers and other data;

(ix) all rights, claims and causes of action to the extent relating to any of the assets set forth in this Section 1.

SECTION 2. Assumption of Operating Liabilities and Obligations. Assignee hereby assumes and agrees, effective as of and after the date hereof, to pay, honor, perform and discharge all liabilities and obligations (whether accrued or contingent) of Assignor arising out of, relating to or resulting from the Contributed Property or the operation of the PDI's computer animation business consistent with past practice; provided, however, that Assignee shall not assume, and Assignor shall remain liable, any other liabilities not referred to above. Examples of such nonassumed liabilities include (i) all liabilities and obligations (whether accrued or contingent) of Assignor under the New PDI LLC Agreement or the Master Agreement, except as expressly contemplated therein, and (ii) all liabilities and obligations (whether accrued or contingent) of Assignor arising out of, relating to or resulting from the ownership of PDI, including without limitation any tax liabilities that may be assessed with respect to income earned by PDI, such as matters relating to the S corporation status of PDI, and any liabilities to current or former stockholders, investors or employees of PDI with respect to claims for additional rights to equity interests or participations.

SECTION 3. Conveyances and Assignments Requiring Consents. To the extent that any license, lease, contract, commitment, account, instrument, or general intangible (each, an "Assigned Agreement") included among the Contributed Property shall as a matter of law be incapable of being conveyed, assigned or otherwise transferred hereunder, this Agreement shall not constitute a transfer, assignment or assumption thereof, and to the extent that the conveyance, assignment or other transfer of any Assigned Agreement hereunder shall require the consent of another Person, this Agreement shall not constitute a transfer, assignment or assumption of the same (unless and until such consent is obtained) if an attempted transfer, assignment or assumption without such consent would constitute a breach of any obligation, or a violation of law or regulation thereunder, or in any material way adversely affect the rights of Assignee thereunder as compared to such rights as it would enjoy in the absence of any such conveyance, assignment or transfer; provided, however, that upon receipt of such consent with respect to any such Assigned Agreement, this Agreement shall constitute a transfer, assignment and assumption thereof as of the date of such receipt, and thereafter such Assigned Agreement shall constitute an asset of Assignee; provided further, however, that until such consent is received, Assignor shall hold the affected Assigned Agreement for the benefit of Assignee and shall cooperate with Assignee (and Assignee shall cooperate with Assignor) in any reasonable arrangement designed to provide for Assignee and its successors and assigns the benefits of such Assigned Agreement, and Assignee and Assignor shall each be responsible for the liabilities and obligations associated with such Assigned Agreement for which it would have been responsible had such Assigned Agreement been transferred, assigned and assumed by Assignee during the period in which such arrangements are in place. Assignor shall reimburse Assignee for any additional costs or expenses incurred by Assignee as a result of such arrangement.

SECTION 4. Consideration. Assignor shall transfer the Contributed Property to Assignee in consideration for the LLC Interests issued by Assignee pursuant to the New PDI LLC Agreement and the assumption by Assignee of certain related liabilities.

SECTION 5. Representations and Warranties of Assignor. Assignor hereby represents and warrants to Assignee that:

(a) Title to the Assets. It has, as of the date hereof, good and valid title (or valid leases) to all assets

included among the Contributed Property (collectively, the "Assets"), in each case free and clear of all mortgages, pledges, liens, security interests or encumbrances of any kind, except Permitted Liens (as defined in the Working Capital Agreement).

(b) Assigned Agreements. (i) Each of the Assigned Agreements is valid, binding and in full force and effect and (ii) Assignor has performed all material obligations required to be performed by it under the Assigned Agreements prior to the date hereof and is not in breach or in default in any material respect thereunder.

SECTION 6. Miscellaneous. Article X of the Master Agreement (other than Section 10.03 thereof) shall be applicable hereto as if set forth in full herein, with all references therein to "this Agreement", "hereto", "hereof" and "herein" referring to this Agreement.

SECTION 7. Further Assurances. Each party to this Agreement agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments, agreements and documents, and to do all other acts and things as, in the reasonable opinion of any party hereto, may be necessary or advisable to carry out the intent and purposes of this Agreement.

SECTION 8. Third Party Beneficiaries. Nothing in this Agreement, express or implied, shall or is intended to confer upon any Person, other than the parties hereto and DreamWorks, which is an express third party beneficiary of this Agreement, and their respective permitted successors and assigns, any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above written.

PACIFIC DATA IMAGES, INC.

By: Carl Rosen Dahl
Name: CARL ROSENDAHL
Title: PRESIDENT

PACIFIC DATA IMAGES L.L.C.

By: Carl Rosen Dahl
Name: CARL ROSENDAHL
Title: PRESIDENT