

Form PTO-1595 (Rev. 07/05)  
OMB No. 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

**RECORDATION FORM COVER SHEET  
PATENTS ONLY**

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies)**  
APACHETA CORPORATION

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

**2. Name and address of receiving party(ies)**  
Name: Square 1 Bank  
Internal Address: Jennifer Howard  
Street Address: 406 Blackwell St.  
Suite 240  
City: Durham  
State: NC  
Country: \_\_\_\_\_ Zip: 27701  
Additional name(s) & address(es) attached?  Yes  No

**3. Nature of conveyance/Execution Date(s):**  
Execution Date(s) July 28, 2006

Assignment  Merger  
 Security Agreement  Change of Name  
 Joint Research Agreement  
 Government Interest Assignment  
 Executive Order 9424, Confirmatory License  
 Other \_\_\_\_\_

**4. Application or patent number(s):**  This document is being filed together with a new application.

A. Patent Application No.(s) \_\_\_\_\_  
B. Patent No.(s)  
10-755974  
10-947586  
SEE ATTACHED EXHIBIT B

Additional numbers attached?  Yes  No

**5. Name and address to whom correspondence concerning document should be mailed:**  
Name: Jennifer Howard  
Internal Address: Square 1 Bank  
Street Address: 406 Blackwell St.  
Suite 240  
City: Durham  
State: NC Zip: 27701  
Phone Number: 919-314-3123  
Fax Number: 919-314-3110  
Email Address: Jhoward@square1bank.com

**6. Total number of applications and patents involved:** 2

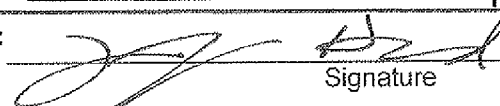
**7. Total fee (37 CFR 1.21(h) & 3.41)** \$ 80

Authorized to be charged by credit card  
 Authorized to be charged to deposit account  
 Enclosed  
 None required (government interest not affecting title)

**8. Payment Information**

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number 50-3822  
Authorized User Name Jennifer Howard

**9. Signature:**  \_\_\_\_\_  
Signature \_\_\_\_\_ Date 5/16/07  
Name of Person Signing Jennifer Howard

Total number of pages including cover sheet, attachments, and documents:  1  4

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

CH \$80.00 503822 10755974

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of July 28, 2006 by and between SQUARE 1 BANK ("Bank") and APACHETA CORPORATION, a California corporation ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodations 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 and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement 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.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

EXHIBIT B

Patents

<u>Description</u>	<u>Patent Application No./Issued Patent No.</u>	<u>Date</u>
Authentication System	10-755974	1/12/2004
System and method for delegation of data processing tasks based on device physical attributes and spatial behavior	10-947566	9/22/2004