

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY
CONVEYING PARTY DATA	
Name	Execution Date
C. McKenzie Lewis III	12/17/2001
RECEIVING PARTY DATA	
Name:	Digimarc Corporation
Street Address:	9405 SW Gemini Dr.
City:	Beaverton
State/Country:	OREGON
Postal Code:	97008
PROPERTY NUMBERS Total: 4	
Property Type	Number
Application Number:	12273479
Patent Number:	6442283
Patent Number:	6751337
Patent Number:	7454034
CORRESPONDENCE DATA	
Fax Number:	(503)469-4777
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	503-469-4800
Email:	lparkinson@digimarc.com
Correspondent Name:	Digimarc Corporation
Address Line 1:	9405 SW Gemini Dr.
Address Line 4:	Beaverton, OREGON 97008
ATTORNEY DOCKET NUMBER:	COGNICITY RELEASE
NAME OF SUBMITTER:	Lisa Parkinson
Total Attachments: 4	

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**PATENT
 REEL: 025000 FRAME: 0407**

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RELEASE

This Release granted on this 17th day of December, 2001, by C. McKenzie Lewis III ("Secured Party"), as follows:

WITNESSETH

WHEREAS, Cognicity, Inc., a Minnesota corporation, (the "Assignor") has heretofore granted to Secured Party pursuant to the Commercial Security Agreements dated March 1, 1999 and September 16, 1999 between Assignor and Bank Windsor, the Security Agreement between Assignor and Secured Creditor dated July 11, 2001 (including the document entitled "Patent Collateral Assignment" recorded in the records of the United States Patent Office at Reel 012146, Frames 607-614) or otherwise a mortgage, lien, charge, pledge, security interest or other encumbrance in certain of the Purchased Assets, as that term is defined in that certain Asset Purchase Agreement, dated December 17, 2001, between the Assignor and Digimarc Corporation, a Delaware Corporation (the "Secured Assets"), more particularly set forth on Schedule A attached hereto;

WHEREAS, Secured Party wishes to release all right, title and interest in and to the Secured Assets to the Assignor and to dissolve any and all liens and encumbrances respecting the Secured Assets.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Secured Party hereby releases, discharges and relinquishes, without warranty, any and all right, title and interest in and to the Secured Assets, and the security interest in the Secured Assets, granted to Secured Party by the Assignor pursuant to the Commercial Security Agreements dated March 1, 1999 and September 16, 1999 between Assignor and Bank Windsor, the Security Agreement between Assignor and Secured Creditor dated July 11, 2001 (including the document entitled "Patent Collateral Assignment" recorded in the records of the United States Patent Office at Reel 012146, Frames 607-614) or otherwise; and

2. Secured Party agrees that this Release shall be given effect prior to other documents executed on the same date herewith, which other documents concern a transaction between Assignor and Digimarc Corporation, so that Assignor shall be vested with rights in the Secured Assets free of any claim of Secured Party thereto at the time of the transaction with Digimarc Corporation.

3. Secured Party will, at Assignor's cost and expense, promptly execute and deliver such other termination statements or other agreements and instruments in form and substance satisfactory to the Assignor or any other beneficiary, as the case may be, as the Assignor or such beneficiary may reasonably request to further evidence and effect the release of the security interests in the Secured Assets set forth above.

IN WITNESS WHEREOF, the undersigned, by and through its authorized officer, has caused this instrument to be executed on the date first written above.

Secured Party:

By:

C. M. Lewis III
C. McKenzie Lewis III

SCHEDULE A

Secured Assets

Patent Assets

No.	U.S. Serial Number	Filing Date	Title
1	09/480,391	1/11/2000	Degradation Watermarking
2	09/228,224	1/11/1999	Multimedia Data Embedding
3	09/846,686	4/30/2001	Systems and Methods for Intercepting Media Data
4	60/287,873	4/30/2001	Digital Rights Management

Software and Trade Secret Assets

Core Watermarking Software -- AudioKey

AudioKey is a stand-alone software product that allows users to transparently embed source watermarks. Once embedded, this information will survive music editing, production, format conversion (including D/A and A/D conversions), compression, streaming, broadcast, etc. The user can designate whether the embedded information is for public or private use.

Transactional Watermarking Software -- Twm

Twm is the industry's first and only real-time MP3 transactional watermarking solution. With Twm, content owners or their online merchants can embed in real-time a transactional ID that points back to the original customer.

Promo CD Watermarking System

The Cognicity Promo CD Watermarking System ("Cognicity System") is a stand-alone system that utilizes proprietary software developed and owned by Cognicity. It takes DDP audio files, a job order file and a label image file, and calls upon the Rimage Autostar 2000 CD burning system to produce and label CD's serially and digitally watermarked with the appropriate user-id. The label printed on each CD includes the user name and the bar code corresponding to the same user-id as watermarked in the applicable CD.

Spinscape Software

Spinscape is a new marketing tool developed by Cognicity with unique access control and security capabilities. The core software can be used to secure access to any local or networked file of any media type (text, image, audio, video, software, etc.) or format and has very little memory and CPU usage requirements.

Item 1: CD-R labeled Cognicity Watermark Products and Source Code 8/10/2001 (by Bin X.)

- Core Watermarking Software
 - Contains watermarking source code and binaries for watermarking kernel for all AudioKey, Transactional, Promotional CD burning, and SpinScape systems.
 - No documentation
 - Does not contain Fraunhofer MP3 coded source code, and a Fraunhofer license is required for Transactional watermarking and SpinScape
- AudioKey and Transactional watermarking Products
 - Contains GUI for AudioKey and transactional watermarking product

Item 2: CD-R Client Side Source code for production program, SpinScape, WaveSet, Turnkey, Docs (by Ahmad S.)

- PromoCD
 - Contains source code, required DLLs and documentation for production (PromoCD app - in directory turnkey)
 - Does not contain Rimage Autostar Image product program - shipped with hardware to Warner Bros
- SpinScape Client
 - SpinScape client (.lib for watermarking that's older than Bin's source code)
 - Does not include Windows Media Format SDK (available for public download from Microsoft) and Real Producer SDK (available for public download from Real Networks) and maybe MP3 codec library by Fraunhofer (need to license as discussed above)
 - No binaries

Item 3: CD-R SpinScape Server Source (by Bryan H)

- SpinScape Server
 - Contains source code, documents, binaries, examples and evaluation Java script's
 - Does not contain Oracle 8.16i source code, and Oracle is required to be licensed

Item 4: Contained in Zip file sent to Buyer on December 5, 2001 by Mitch Swanson.
Contain Matlab source code for core watermarking algorithms