

REC

08-20-1999

SHEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



101123860

Tab settings = = =

To the Honorable Commissioner of Pat

ached original documents or copy thereof.

1. Name of conveying party(ies):

Cornerstone Acquisition, Inc.

- Individual(s)
- General Partnership
- Corporation-State
- Other
- Association
- Limited Partnership

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

3. Nature of conveyance:

8-11-99

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

Execution Date: September 24, 1998

2. Name and address of receiving party(ies)

Name: Sanwa Business Credit Corporation

Internal Address:

Street Address: 1 S. Wacker

City: Chicago State: IL ZIP: 60606

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Laura Konrath

Internal Address: Winston & Strawn

33rd Floor

Street Address: 35 West Wacker Drive

City: Chicago State: IL ZIP: 60601

6. Total number of applications and registrations involved:

7

7. Total fee (37 CFR 3.41).....\$190.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

N/A

(Attach duplicate copy of this page if paying by deposit account)

08/19/1999 MTHA11 00000270 2022506

DO NOT USE THIS SPACE

190E

01 PC:461 40.00 OP
02 SF:462 150.00 OP

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.

Laura Konrath

Signature

Date

Total number of pages including cover sheet, attachments, and document:

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

Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK

REEL: 001945 FRAME: 0665

Schedule 2

Continuation
Item 4

TRADEMARKS—

<u>U.S. trademarks:</u>	<u>Reg No.</u>	<u>Reg. Date</u>
ClearColor	2,022,506	Dec 10, 1996
Cornerstone (name)	2,003,835	Oct 1, 1996
Cornerstone (square logo)	1,797,666	Oct 12, 1993
DualPage	1,558,863	Oct 3, 1989
ImageAccel	1,795,703	Sept 28, 1993
ImageCare	1,970,443	April 23, 1996
SuperFocus	75/267,555	pending

TRADEMARK LICENSES—none

**CONTINUING SECURITY INTEREST AND
CONDITIONAL ASSIGNMENT OF
PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES**

This CONTINUING SECURITY INTEREST AND CONDITIONAL ASSIGNMENT OF PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES (this "Agreement") is dated as of September 24, 1998 by and between CORNERSTONE ACQUISITION, INC., a California corporation (the "Obligor"), and SANWA BUSINESS CREDIT CORPORATION (the "Lender") under that certain Loan and Security Agreement dated as of the date hereof (the "Loan Agreement"; terms used but not otherwise defined herein shall have the respective meanings provided for in the Loan Agreement) among the Obligor and the Lender.

WITNESSETH:

WHEREAS, Obligor (i) owns the patents and patent applications listed on Schedule 1 annexed hereto, and is a party to the patent licenses listed on Schedule 1 annexed hereto, (ii) owns the trademarks, trademark registrations, and trademark registration applications listed on Schedule 2 annexed hereto, and is a party to the trademark licenses listed on Schedule 2 annexed hereto and (iii) owns the copyrights, copyright registrations and copyright registration applications listed on Schedule 3 annexed hereto, and is a party to the copyright licenses listed on Schedule 3 annexed hereto; and

WHEREAS, pursuant to the terms of the Loan Agreement, Obligor has granted to Lender, a security interest in substantially all the assets of Obligor, including all right, title and interest of Obligor in, to and under all now owned and hereafter acquired intellectual property, together with all proceeds thereof;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Obligor hereby agrees as follows:

A. Obligor hereby grants to Lender a continuing security interest in all of Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Patents"), whether presently existing or hereafter created or acquired:

- (1) each patent and patent application of Obligor therefor, including, without limitation, each patent and patent application referred to in Schedule 1 annexed hereto;
- (2) each patent license to which Obligor is a party, including, without limitation, each patent license listed on Schedule 1 annexed hereto; and
- (3) all proceeds of the foregoing, including, without limitation, proceeds of insurance policies thereon.

B. Subject to Section D below, Obligor hereby grants to Lender a continuing security interest in all of Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademarks"), whether presently existing or hereafter created or acquired:

- (1) each trademark, trademark registration and trademark registration application of Obligor, including, without limitation, the trademarks, trademark registrations and trademark registration applications referred to in Schedule 2 annexed hereto and the goodwill associated therewith;
- (2) each trademark license to which Obligor is a party, including, without limitation, each trademark license listed on Schedule 2 annexed hereto; and
- (3) all products and proceeds of the foregoing, including, without limitation, proceeds of insurance policies thereon.

C. Obligor hereby grants to Lender a continuing security interest in all of Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Copyrights"), whether presently existing or hereafter created or acquired:

- (1) each copyright, copyright registration and copyright registration application of Obligor, including, without limitation, the copyright, copyright registrations and copyright registration applications referred to in Schedule 3 annexed hereto;
- (2) each copyright license to which Obligor is a party, including, without limitation, each copyright licensed listed on Schedule 3 annexed hereto; and
- (3) all products and proceeds of the foregoing, including, without limitation, proceeds of insurance policies thereon.

This security interest is granted in conjunction with the security interests granted to Lender pursuant to the Loan Agreement. Obligor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the Patents, Trademarks and Copyrights made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

D. Notwithstanding anything herein to the contrary, this Agreement shall not operate as a sale, transfer, conveyance or other assignment to the Lender of any applications by Obligor for a Trademark based on an intent to use the same if and so long as such application is pending and not matured into a registered Trademark (such pending applications which are based on intent to use being hereinafter referred to collectively as "Intent-To-Use" Applications"), but rather, if and so long as Obligor's Intent-To-Use Application is pending this Agreement shall operate only to create a security interest for collateral purposes in favor of the Lender on such Intent-To-Use Application as collateral security for the Liabilities.

E. In addition to, and not by way of limitation of, all other rights granted to Lender under the Loan Agreement, this Agreement and the Ancillary Agreements, as collateral security only for the complete payment when due of all Liabilities, Obligor hereby, upon the maturity of the Liabilities or the earlier acceleration of any Liability in accordance with the Loan Agreement, and the exercise by Lender of any or all of its rights or remedies with respect to any or all of the Collateral pursuant to Section 11 of the Loan Agreement, sells, assigns, grants, conveys, transfers

and sets over to Lender any and all rights of Obligor under any license and any license agreement with any other party, whether Obligor is a licensor or licensee under such license agreement, and the right to prepare for sale, sell and advertise for sale all Collateral now or hereafter owned by Obligor and now or hereafter covered by such license (all to the extent allowable under such license) and agrees that it will not take any unreasonable action, or permit any unreasonable action to be taken by others subject to its control, including licensees, or fail to take any reasonable action, which could affect the validity or enforcement of the rights transferred to Lender under this Agreement which rights are material to the conduct of Obligor's business. Obligor hereby covenants that, within ten (10) days thereafter, it will notify Lender if any Patent described in subsection (A)(1) hereof, Copyright described in subsection (C)(1) hereof or Trademark described in subsection (B)(1) hereof shall at any time hereafter become subject to any such license agreement and that, together with such notice, it will provide Lender with full identification thereof and with such further documentation as Lender may reasonably request to accomplish or assure the accomplishment of the purpose of this Section E.

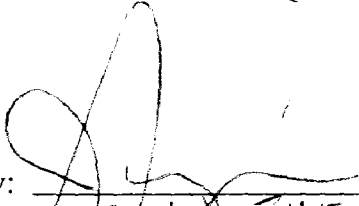
F. Obligor hereby agrees that, upon the maturity of the Liabilities or the earlier acceleration of any Liability in accordance with the Loan Agreement, and the exercise by Lender of any or all of its rights or remedies with respect to any or all of the Collateral pursuant to Section 11 of the Loan Agreement, Lender's right to use all Patents, Copyrights and Trademarks as described above shall be worldwide, to the extent of the Obligor's right to use the same, and without any liability for royalties or other related charges from Lender to any Obligor. The term of the collateral assignments and grant of security interest granted herein shall extend until the expiration of each of the Patents, Copyrights and Trademarks collaterally assigned hereunder, or until the Liabilities have been paid in full in cash and all commitments to lend thereunder terminated.

G. Obligor represents and warrants that the United States and foreign Patents, Copyrights and Trademarks constitute all of the patents, patent applications, copyrights, copyright registrations, copyright registration applications, trademarks, trademark registrations, trademark registration applications and licenses with respect to any of the foregoing now owned by Obligor. Within ten (10) days after the creation thereof, Obligor shall identify in writing to Lender all new applications for United States and foreign letters patent, copyright registrations and trademark registrations and licenses of Obligor, which new applications, patents, copyright registrations, trademark registrations and licenses shall be subject to the terms and conditions of the Loan Agreement and this Agreement.

[signature pages follow]

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed by its duly authorized officer as of September 24, 1998.

CORNERSTONE ACQUISITION, INC.



By: _____
Name: JUSTIN PINEAS
Title: CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

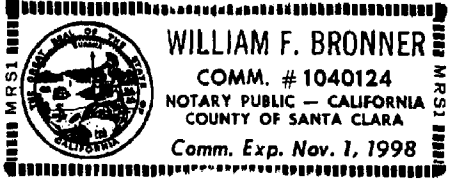
STATE OF CALIFORNIA
COUNTY OF SANTA CLARA ss.

On this 23 of SEPTEMBER 1998, before me, WILLIAM F. BRONNER Notary Public, personally appeared JOHN FINEGAN

~~Personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be the person/s whose name/s is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity/ies, and that by his/her/their signature/s on the instrument the person/s or the entity upon behalf of which the person/s acted, executed the instrument.

WITNESS my hand and official seal.

Signature William F Bronner
WILLIAM F. BRONNER NOTARY
Notary Public in and for the State of California
Commission Expiration Nov 1, 1998



*ACKNOWLEDGING LAST SIGNATURE PAGE ONLY
CONTINUING SECURITY INTEREST AND
CONDITIONAL ASSIGNMENT OF PATENTS, TRADE MARKS, COPYRIGHTS*

NAME OF DOCUMENT _____
DATE OF DOCUMENT 9/24/1998 DATE OF SIGNING 9/23/1998
NUMBER OF SIGNATURES 1 NUMBER OF PAGES 3 PAGES - with 4 SIGNATURE PAGES Attached.
CAPACITY OF SIGNER/S INDIVIDUAL PARTNER/S CORPORATE

Schedule 1

PATENTS—none

PATENT LICENSES—none

Schedule 2

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<u>U.S. trademarks:</u>	<u>Reg No.</u>	<u>Reg. Date</u>
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ImageCare	1,970,443	April 23, 1996
SuperFocus	75/267,555	pending

TRADEMARK LICENSES—none

Schedule 3

COPYRIGHTS—none

COPYRIGHT LICENSES—none