

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of January 31, 2000 by and between SAND HILL CAPITAL II, L.P. ("Sand Hill") and HOLOCOM NETWORKS ("Borrower").

RECITALS

Sand Hill and Borrower are parties to that certain loan agreement of even date (as amended from time to time, the "Loan Agreement"). Capitalized terms used herein have the meaning assigned in the Loan Agreement. Pursuant to the terms of the Loan Agreement, Borrower has granted to Sand Hill a security interest in the Collateral.

NOW, THEREFORE, Borrower agrees as follows:

AGREEMENT


To secure performance of its obligations under the Loan Agreement, Borrower grants to Sand Hill a security interest in all of Borrower's right, title and interest in Borrower's intellectual property (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), 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). This security interest is granted in conjunction with the security interest granted to Sand Hill under the Loan Agreement. Each right, power and remedy of Sand Hill provided for herein shall not preclude the simultaneous or later exercise by Sand Hill of any or all other rights, powers or remedies.

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

Address of Borrower:

HOLOCOM NETWORKS.

2131 Palomar Airport Road, Suite 150
Carlsbad, CA 92009

By: 

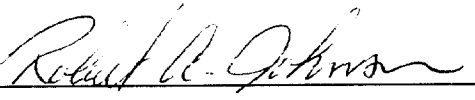
Title: CEO

Attn: Renny E. Senn, President & CEO

Address of Sand Hill:

SAND HILL CAPITAL II, L.P.

3000 Sand Hill Road
Building 2, Suite 110
Menlo Park, CA 94025
Attn: Robert Johnson

By: 

Title: PRINCIPAL

EXHIBIT A

Copyrights

Description

Registration/
Application
Number

Registration/
Application
Date

EXHIBIT B

Patents

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Variable Type Cable Management and Distribution System	5831211	November 3, 1998

EXHIBIT C

Trademarks

<u>Description</u>	<u>Serial Number</u>	<u>Application Date</u>
Simplicity3	75/692,466	04/27/99
Toprunner	75/672,341	04/01/99
H and design	75/567,678	10/09/98
Holocomm	75/567,677	10/09/98
Holocomm Systems	2,137,214	02/17/98