

11-28-2001

Form PTO-1594

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(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

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

11-28-01

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): RE  
 iPolicy Networks, Inc.  
 47467 Fremont Blvd  
 Fremont, CA 94538

Individuals  Association  
 General Partnership  Limited Partnership  
 Corporation-State - DE  
 Other

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

2. Name and address of receiving party(ies)  
 Name: Anthelion Capital II, L.P.  
 Internal Address:  
 Street Address: 20045 Stevens Creek Blvd.  
 City: Cupertino State: CA Zip: 95014

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

If assignee is not domiciles 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

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other

Execution Date: September 12, 2001

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s)  
76/200,298  
76/026,606

B. Trademark No.(s)

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: April M. Piercey, CLA  
 Internal Address:  
Cooley Godward LLP  
5 Palo Alto Square  
 Street Address: 3000 El Camino Real  
 City: Palo Alto State: CA Zip: 94306

6. Total number of applications and patents involved: 2

7. Total fee (37 CFR 3.41)..... \$ 65.00

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number:  
03-3115  
 (Attach duplicate copy of this page if paying by deposit account)

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.*

April M. Piercey  
 Name of Person Signing

[Signature]  
 Signature

11/27/01  
 Date

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

Mail documents to be recorded with required cover sheet information to:  
 Commissioner of Patents & Trademarks, Box Assignments  
 Washington, D.C. 20231

Continued

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

F&W Investments LLC – 2001  
Two Palo Alto Square  
Palo Alto, CA 94306

***Limited Liability Company***

Morgan Stanley Venture Investors III,  
L.P.  
3000 Sand Hill Road  
Building Four - Suite 250  
Menlo Park, California 94025

***Limited Partnership***

Goel Family Partnership  
c/o Prabhu Goel  
98 Ridgeview Drive  
Atherton, CA 94027-6464

***Partnership***

The Morgan Stanley Venture Partners  
Entrepreneur Fund, L.P.  
3000 Sand Hill Road  
Building Four - Suite 250  
Menlo Park, California 94025

***Limited Partnership***

Greylock IX Limited Partnership  
880 Witter ST  
Waltham, MA 02451

***Limited Partnership***

Pankaj Parekh  
1831 Parkview Green Circle  
San Jose CA 95131

***Individual***

Vimal Vaidya  
720 Vista Cerro Terrance  
Fremont, CA 94539

***Individual***

Morgan Stanley Venture Partners III, L.P.  
3000 Sand Hill Road  
Building Four - Suite 250  
Menlo Park, California 94025

***Limited Partnership***

# SECURITY AGREEMENT

This SECURITY AGREEMENT (this "*Agreement*") is made as of September 12, 2001 by and between iPolicy Networks, Inc., a Delaware corporation (the "*Company*"), the parties listed on the Schedule of Secured Parties attached to this Agreement as Exhibit A (individually a "*Secured Party*" and collectively the "*Secured Parties*") and Morgan Stanley Venture Partners III, L.P., the representative of the Secured Parties (the "*Representative*").

## RECITALS

A. The Secured Parties have advanced funds to the Company in exchange for the issuance to the Secured Parties of certain convertible secured promissory notes evidencing the Company's obligation to repay the Secured Parties' loans of such advanced funds and warrants to purchase shares of the Company's capital stock.

B. The parties have agreed that Company's obligations under such convertible secured promissory notes will be secured by Company's grant to the Secured Parties of a security interest in and to certain collateral, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

### 1. SECURITY.

1.1 Grant of Security Interest. As security for payment and performance of all Indebtedness (as defined below) of the Company to the Secured Parties when and as due, the Company hereby grants to the Secured Parties a security interest in the Collateral (as defined below). For purposes of this Agreement, "*Indebtedness*" means all obligations and liabilities of the Company to the Secured Parties under those certain convertible secured promissory notes (the "*Notes*") executed by the Company in favor of the Secured Parties on or about the date hereof (the "*Loans*") and under this Agreement. Reference to the "Secured Parties" in the remainder of this Agreement shall include the subsequent holders of any of the Notes.

1.2 Collateral Defined. As used in this Agreement, the term "*Collateral*" means, collectively, any and all of the "accounts," "chattel paper," "deposit accounts," "documents," "equipment," "fixtures," "general intangibles" (including copyrights, moral rights, trademarks, service marks, trade secrets, patents, patent applications and similar intellectual property rights), "instruments", "inventory", and "investment property" (as such terms are defined in Division 9 of the California Uniform Commercial Code in effect from time to time), whether now owned by the Company or hereafter acquired, and all proceeds thereof.

1.3 Financing Statements. So long as any of the Company's Indebtedness to the Secured Parties has not been fully satisfied, the Company will promptly upon request execute and deliver to the Secured Parties such assignments, notices, financing statements or other documents and papers (including, but not limited to, such documents as may be filed with the U.S. Register of Copyrights and the U.S. Patent and Trademark Office in order to evidence the perfection of Secured Parties' rights in Company's patents, registered trademarks, registered

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REEL: 002399 FRAME: 0479

copyrights and applications therefore and any proceeds thereof or revenues there from and will promptly upon request register the copyright in the software or firmware of each product shipped on the U.S. Register of Copyrights) as any Secured Party may reasonably require in order to perfect and maintain the security interest in the Collateral granted to the Secured Parties hereby and to give any third party notice of the Secured Parties' interest in the Collateral. Secured Parties may at any time and from time to time file financing statements, continuation statements (including "in lieu" continuation statements) and amendments thereto that describe the Collateral as all assets of the Company or words of similar effect and which contain any other information required by Part 5 of Division 9 of the California Uniform Commercial Code for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether the Company is an organization, the type of organization and any organization identification number issued to the Company. The Company agrees to furnish any such information to any Secured Party promptly upon request. Any such financing statements, continuation statements or amendments may be signed by any Secured Party on behalf of the Company and may be filed at any time in any jurisdiction. The Company will pay to the Secured Parties all expenses incurred by any Secured Party in filing such assignments, notices, financing statements or other documents or papers (and any continuation statements or amendments thereto). Upon the full and final discharge of all of the Indebtedness, the Secured Parties will execute and deliver such documents as may be reasonably necessary and requested by the Company to release the Collateral from the security interest granted to the Secured Parties in this Agreement.

**1.4 Priority among Investors.** As between the Secured Parties, the rights granted hereunder will be held by each of the Secured Parties pro rata in accordance with the then-current amount of unpaid principal and accrued interest under all the Notes and held by each of the Secured Parties, and on a *pari passu* basis of equal seniority and priority. In the event that any Secured Party is identified alone as the creditor or the secured party in any financing statement or similar document intended to perfect a security interest granted under this Agreement, such Secured Party will hold and exercise any rights arising therefrom in trust for the benefit of all Secured Parties on a pro rata, *pari passu* basis as described above. The Secured Parties hereby agree that rights granted under this Agreement will be exercised only in the manner decided by the vote of the Secured Parties holding at least fifty percent (50%) of the aggregate then-outstanding and unpaid principal amount of indebtedness under all of the then-outstanding Notes. The Secured Parties hereby appoint the Representative to act as the agent, attorney-in-fact and representative of the Secured Parties to execute and deliver any and all documents, and to exercise any and all rights and remedies of the Secured Parties under this Agreement, by and on behalf of the Secured Parties.

**1.5 Unequal Payment by Company.** Each Secured Party agrees that if it shall, through the exercise of any right granted to the Secured Parties under this Agreement, under the Notes or by applicable law, including, but not limited to any right of set-off, any secured claim under Section 506 of the Bankruptcy Code or any other security or interest arising from, or in lieu of such secured claim, and received by such Secured Party under any applicable bankruptcy, insolvency or other similar law, or otherwise, obtain payment in respect of its Loan as a result of which the unpaid portion of its Loan is proportionally less than the unpaid portion of the Loans of the other Secured Parties, then (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Secured Parties a participation in the

Loans of each such other Secured Party, so that the amount of such Secured Party's Loan and the participation in the Loans of the other Secured Parties shall be in the same proportion to all Loans then outstanding as the amount of its Loan prior to the obtaining of such payment was to the amount of all Loans outstanding prior to the obtaining of such payment and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Secured Parties share the benefits of such payment pro rata. The term "Loan" as used in this paragraph shall include accrued interest thereon.

**1.6 Termination.** When all the Indebtedness has been paid in full and discharged, this Agreement and the security interest granted to the Secured Parties under this Agreement will terminate.

**2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.** The Company represents and warrants to the Secured Parties that:

**2.1 Title; No Liens or Claims in Collateral.** The Company owns all right, title and interest in and to the Collateral. All of the Collateral is (and until the Notes have been paid in full and all the Indebtedness is fully satisfied will be) free and clear of all liens, security interests, mortgages, claims, rights, encumbrances and restrictions of any kind except for (i) statutory tax liens, (ii) the security interest granted to the Secured Parties under this Agreement and (iii) liens existing as of the date hereof and disclosed on Schedule A attached hereto.

**2.2 No Bankruptcy.** The Company is not subject to any bankruptcy case or insolvency proceedings before any court in any jurisdiction. In the ninety (90) days preceding the date of this Agreement, the Company has not received any threat from any third party to subject the Company to any involuntary bankruptcy or insolvency proceeding.

**2.3 Corporate Identity.** The Company's federal taxpayer identification number is 77-0478151, and its chief executive office, principal place of business, and the place where Company maintains its records concerning the Collateral are presently located at the address set forth in Section 5.6 hereof. The Company's jurisdiction of organization is Delaware. The Collateral, other than deposit accounts, motor vehicles, and other mobile goods of the type contemplated in Section 9103(3)(a) of the California Uniform Commercial Code, is presently located at the address in Section 5.6 hereof and at such additional addresses set forth on Schedule B attached hereto.

**2.4 Validity of Security Interest.** This Agreement creates a legal and valid security interest on and in all of the Collateral in which the Company now has rights and all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken by the Company. Accordingly, Secured Parties have a fully perfected first priority security interest in all of the Collateral in which the Company now has rights. This Agreement will create a legal and valid and fully perfected first priority security interest in the Collateral in which Company later acquires rights, when the Company acquires those rights subject only to additional filings to be made with the U. S. Register of Copyrights and/or Patent and Trademark Office as are necessary to perfect Secured Parties' security interest in subsequent ownership rights and interests of Company in copyrights, patents, trademarks and licenses.

**2.5 Intellectual Property.** All copyrights, copyright licenses, patents, patent licenses, trademarks and trademark licenses now owned, held or in which Company otherwise has any interest that are material to the Company's current business are listed on Schedule C attached hereto. Company shall amend Schedule C from time to time within twenty (20) business days after the filing of any application for a patent, trademark or copyright or the issuance of any patent or registration of any trademark or copyright to reflect any additions to or deletions from this list. Except as set forth on Schedule C, none of the patents, trademarks or copyrights has been licensed to any third party.

**3. COVENANTS OF THE COMPANY.** So long as any of the Company Indebtedness to the Secured Parties has not been fully satisfied, the Company covenants and agrees with the Secured Parties that:

**3.1 Condition of Collateral.** The Company will maintain the Collateral in good condition and repair.

**3.2 Taxes.** The Company will pay all taxes due and owing by the Company at such time as they become due.

**3.3 Insurance.** The Company will maintain insurance policies insuring the Collateral against loss or damage from such risks and in such amounts and forms and with such companies as are customarily maintained by businesses similar to the Company's to allow it to replace any of the Collateral that might be damaged or destroyed.

**3.4 Location of Collateral.** The Company will not move or relocate any or all of the Collateral (except as provided in Section 3.5 below) from its current location(s) without giving the Secured Parties written notice of the moving of such Collateral at least twenty (20) days before such Collateral is moved or relocated. Any notice provided by the Company relating to the movement of Collateral shall indicate in detail the description of the Collateral to be moved or relocated and the location(s) and address(es) to which such Collateral is to be moved.

**3.5 Sale of Collateral.** The Company will not, without the Secured Parties' prior written consent, which may be withheld in the Secured Parties' sole discretion, sell, lease, assign, transfer or otherwise dispose of the Collateral, any part thereof or any interest therein, or any of the Company's rights therein, to any person, entity or party other than the Secured Parties, except in the case of sales of inventory, grants of nonexclusive licenses of intangible assets and dispositions of obsolete equipment in the ordinary course of the Company's business.

**3.6 Change of Corporate Identity.** The Company shall not change its taxpayer identification number, jurisdiction of organization or such chief executive office, principal place of business or remove or cause to be removed, the records concerning the Collateral from those premises without prior written notice to the Secured Parties.

**3.7 Other Liens.** The Company will keep the Collateral free and clear of all liens, security interests, mortgages, claims, rights, encumbrances and restrictions of any kind except for statutory tax liens and those approved in writing by the Secured Parties holding at least fifty percent (50%) of the aggregate then-outstanding and unpaid principal amount of indebtedness under all of the then-outstanding Notes.

**3.8 Registration of Intellectual Property Rights.** Upon receipt of a written request from a Secured Party, the Company shall promptly register or cause to be registered (to the extent not already registered) the most recent version of any copyright and any copyright license and any patent, patent license, trademark or trademark license, which, individually or in the aggregate, is material to the conduct of the Company's current business, with the U. S. Register of Copyrights or Patent and Trademark Office, as applicable, including, without limitation, in all such cases, the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings. Company agrees that the execution of this Agreement by the parties hereto constitutes an initial written request as to any copyrights, patents, trademarks or any licenses thereof of the Company that exist as of the date of this Agreement, and the Company shall promptly take the actions necessary to effect the registrations pursuant hereto. Company shall register or cause to be registered with the U. S. Register of Copyrights or Patent and Trademark Office, as applicable, those additional rights and interests developed or acquired by Company after the date of this Agreement that are material to the Company's current business, including, without limitation, any additions to the rights and interests of the Company listed on Schedule C hereto.

**3.9 Notification Regarding Changes in Intellectual Property.** The Company shall promptly advise the Secured Parties of any subsequent ownership right or interest of the Company in or to any copyright, patent, trademark or license not specified on Schedule C hereto and shall permit the Secured Parties to amend such Schedule, as necessary, to reflect any addition or deletion to such ownership rights.

**3.10 Defense of Intellectual Property.** The Company shall (i) protect, defend and maintain the validity and enforceability of the copyrights, patents and trademarks, (ii) use its best efforts to detect infringements of the copyrights, patents and trademarks and promptly advise Secured Parties in writing of material infringements detected and (iii) not allow any copyrights, patents or trademarks to be abandoned, forfeited or dedicated to the public without the written consent of Secured Parties unless reasonable business practice would determine that any such abandonment is appropriate.

#### **4. RIGHTS AND REMEDIES UPON EVENT OF DEFAULT.**

**4.1 General Remedies.** In the event of an occurrence of any Event of Default (as that term is defined in the Notes), in addition to exercising any other rights or remedies the Secured Parties may have under the Notes, at law or in equity, or pursuant to the provisions of the California Uniform Commercial Code, the Secured Parties may, at their option, and without demand, presentment, or notice first made, exercise any one or all of the following rights and remedies: (i) collect the Collateral and its proceeds; (ii) take possession of the Collateral wherever it may be found, using all reasonable means to do so, or require the Company to assemble the Collateral and make it available to the Secured Parties at a place designated by the Secured Parties that is reasonably convenient to the Company and the Secured Parties; (iii) proceed with the foreclosure of the security interest in the Collateral granted herein and the sale or endorsement and collection of the proceeds of the Collateral in any manner permitted by law or provided for herein; (iv) sell, lease or otherwise dispose of the Collateral at public or private sale, with or without having the Collateral at the place of sale; (v) institute a suit or other action against the Company for recovery on the Notes or to obtain possession or effect a sale of

the Collateral; (vi) exercise any rights and remedies of a secured party under the California Uniform Commercial Code; and/or (vii) offset, against any payment due from the Company to the Secured Parties, the whole or any part of any indebtedness of the Secured Parties to the Company.

**4.2 No Election of Remedies.** The election by the Secured Parties of any right or remedy will not prevent the Secured Parties from exercising any other right or remedy against the Company.

**4.3 Proceeds.** If an Event of Default occurs, all proceeds and payments with respect to the Collateral will be retained by the Secured Parties (or if received by the Company will be held in trust and will be forthwith delivered by the Company to the Secured Parties in the original form received, endorsed in blank) and held by the Secured Parties as part of the Collateral or applied by the Secured Parties to the payment of the Indebtedness.

**4.4 Sales of Collateral.** Any item of Collateral may be sold for cash or other value at public or private sale or other disposition and the proceeds thereof collected by or for the Secured Parties as provided in the California Uniform Commercial Code or under other applicable law. The Company agrees to promptly execute and deliver, or promptly cause to be executed and delivered, such instruments, documents, assignments, waivers, certificates and affidavits and supply or cause to be supplied such further information and take such further action as the Secured Parties may reasonably require in connection with any such sale or disposition. The Secured Parties will have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Company, which right or equity is hereby waived or released. If any notice of a proposed sale, lease, license or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) days before such sale, lease, license or other disposition. The Secured Parties agree to give the Company ten (10) days' prior written notice of any sale, lease, license or other disposition of Collateral (or any part thereof) by the Secured Parties.

**4.5 Limitation on Secured Parties' Duty in Respect of Collateral.** Each Secured Party shall be deemed to have acted reasonably in the custody, preservation and disposition of any of the Collateral if it takes such action as the Company requests in writing, but failure of a Secured Party to comply with any such request shall not in itself be deemed a failure to act reasonably, and no failure of a Secured Party to do any act not so requested shall be deemed a failure to act reasonably.

**4.6 Application of Proceeds.** The proceeds of all sales and collections in respect of the Collateral, the application of which is not otherwise specifically herein provided for, will be applied as follows: (i) first, to the payment of the costs and expenses of such sale or sales and collections and the attorneys' fees and out-of-pocket expenses incurred by the Secured Parties relating to costs of collection; (ii) second, any surplus then remaining will be applied first, to the payment of all unpaid interest accrued under the Notes, and then to the payment of unpaid principal under the Notes; and (iii) third, any surplus then remaining will be paid to the Company.



## 5. GENERAL PROVISIONS.

**5.1 Survival of Warranties.** The representations, warranties and covenants of the Company and the Secured Parties contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and shall in no way be affected by any investigation of the subject matter thereof made by or on behalf of any of the Secured Parties or the Company, as the case may be.

**5.2 Successors and Assigns.** The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

**5.3 Governing Law.** This Agreement shall be governed by and construed under the internal laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California, without reference to principles of conflict of laws or choice of laws and, to the extent applicable, by federal law.

**5.4 Counterparts.** 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 one and the same instrument.

**5.5 Headings.** The headings and captions used in this Agreement are used only for convenience and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs, exhibits and schedules shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits and schedules attached hereto, all of which exhibits and schedules are incorporated herein by this reference.

**5.6 Notices.** Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given (i) at the time of personal delivery, if delivery is in person; (ii) one (1) business day after deposit with an express overnight courier for United States deliveries, or two (2) business days after such deposit for deliveries outside of the United States, with proof of delivery from the courier requested; or (iii) three (3) business days after deposit in the United States mail by certified mail (return receipt requested) for United States deliveries when addressed to the Secured Party to be notified at the address indicated for such party on Exhibit A or, in the case of the Company, at 47467 Fremont Blvd., Fremont, CA 94538, or at such other address as any party or the Company may designate by giving ten (10) days' advance written notice to all other parties.

**5.7 Amendments and Waivers.** This Agreement may be amended and provisions may be waived by the Secured Parties and the Company as provided in Section 6.8 of the Purchase Agreement.

**5.8 Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

**5.9 Further Assurances.** From and after the date of this Agreement, upon the request of Secured Parties or the Company, the Company and the Secured Parties shall execute and deliver such instruments, documents or other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement.


**5.10 Indemnity.** The Company agrees to defend, indemnify and hold harmless Secured Parties and their officers, employees, and agents against (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement and (b) all losses or expenses in any way suffered, incurred, or paid by any Secured Party as a result of or in any way arising out of, following or consequential to this Agreement, the Notes or the Loans (including without limitation, reasonable attorneys fees and expenses), except for losses arising from or out of any Secured Party's gross negligence or willful misconduct.

**5.11 Reinstatement.** This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Company's property and assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Indebtedness, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Indebtedness, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Indebtedness shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

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

**COMPANY:**

**SECURED PARTY:**

By:   
Name: Vimal Vaidya  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Fax No.: \_\_\_\_\_

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**


19567/00600/DOCS/1302367.4

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

**COMPANY:**

By: \_\_\_\_\_  
Name: Vinai Vaidya  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:**

By:   
Name: ANTHELION CAPITAL II, L.P.  
Title: CFO  
Address: 20045 STEVENS CREEK BLVD  
SUITE 2A/B, CUPERTINO, CA 95014  
Fax No.: 408-973-1214

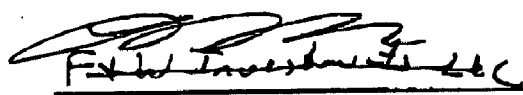
**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

1998/AUGUST/03/12/2007/A

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

**COMPANY:**

By: \_\_\_\_\_  
Name: Vimal Vaidya  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:** *FW Investments LLC - Series 200*  
By:   
Name: David H. Simon  
Title: Managing Member  
Address: Two Palo Alto Sq  
Palo Alto, CA 94306  
Fax No.: 650 494 1412

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

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

**COMPANY:**

By: \_\_\_\_\_

Name: Vimal Valdyia

Title: President

Address: 47467 Fremont Blvd

Fremont, CA 94538

Fax No: 510-687-1767

**SECURED PARTY:**

By: [Signature]

Name: GOEL FAMILY PARTNERSHIP

Title: G.P.

Address: 98 Ridgeway Drive

Alhambra, CA 94027

Fax No.: 650-854-0593

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

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

**COMPANY:**

**SECURED PARTY:**

GREYLOCK IX LIMITED PARTNERSHIP

By: Greylock IX Limited Partnership, its  
General Partner

By: \_\_\_\_\_

By:  \_\_\_\_\_

Name: Vinay Vaidya

Name: Donald A. Sullivan

Title: President

Title: Administrative Partner

Address: 47467 Fremont Blvd

Address: 880 Winter St.

Fremont, CA 94538

Waltham, MA 02451

Fax No.: 510-687-1767

Fax No.: 781-622-2300

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

1956700600VDOC5/1202867.4

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

**COMPANY:**

By: \_\_\_\_\_  
Name: Vimal Vaidya  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:**

By: William J. Harding  
Name: William J. Harding  
Title: \_\_\_\_\_  
Address: 3000 Sand Hill Road  
B4-#250, Menlo Park, CA 94025  
Fax No.: 650-233-2626

Morgan Stanley Venture Partners III, L.P.  
by Morgan Stanley Venture Partners III, L.L.C.  
its General Partner  
by Morgan Stanley Venture Capital III, Inc.  
its Institutional Managing Member

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

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TRADEMARK  
REEL: 002399 FRAME: 0492



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

**COMPANY:**

By: \_\_\_\_\_  
Name: Vimal Vaidya  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:**

By: *William J. Harding*  
Name: ~~William J. Harding~~  
Title: \_\_\_\_\_  
Address: 3000 Sand Hill Rd., B4-#250  
Menlo Park, CA 94025  
Fax No.: ~~650-233-2626~~

Morgan Stanley Venture Investors III, L.P.  
by Morgan Stanley Venture Partners III, L.L.C.,  
its General Partner  
by Morgan Stanley Venture Capital III, Inc.  
its Institutional Managing Member

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

19967/00800/DOCS/1202867.4

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

**COMPANY:**

By: \_\_\_\_\_  
Name: Vimal Vajda  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:**

By: William J. Harding  
Name: William J. Harding  
Title: \_\_\_\_\_  
Address: 3000 Sand Hill Rd., B4-#250  
Menlo Park, CA 94025  
Fax No.: 650-233-2626

THE MORGAN STANLEY VENTURE PARTNERS ENTREPRENEUR FUND, LP  
BY MORGAN STANLEY VENTURE PARTNERS II, L.L.C.  
ITS GENERAL PARTNER  
BY MORGAN STANLEY VENTURE CAPITAL III, INC.  
ITS INSTITUTIONAL MANAGING MEMBER

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

19567/00600/DOCS/1202847.4

TRADEMARK  
REEL: 002399 FRAME: 0494

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

**COMPANY:**

By: \_\_\_\_\_  
Name: Vimal Vaidya  
Title: President  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:**

By: Parekh  
Name: Pankaj Parekh  
Title: VP Product Strategy  
Address: 1831 Parkview Green Cor  
SAN JOSE CA 95131  
Fax No.: 510-687-1767

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

19567/00600/DOCS/1202867.4

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

**COMPANY:**

By: \_\_\_\_\_  
Name: Prabhu Goel  
Title: Chairman of the Board  
Address: 47467 Fremont Blvd  
Fremont, CA 94538  
Fax No.: 510-687-1767

**SECURED PARTY:**

By: V.K.V. [Signature]  
Name: The Vimal & Shubhangi Vaidya  
Revocable Living Trust  
Title: Trustee  
Address: 720 Vista Cerro Ter  
Fremont CA 94539  
Fax No.: \_\_\_\_\_

**SIGNATURE PAGE TO IPOLICY NETWORKS, INC. SECURITY AGREEMENT**

19967/00600/DOCS/1202867.4

**EXHIBIT A**

**Schedule of Investors**

Anthelion Capital II, L.P.  
20045 Stevens Creek BLVD  
Suite 2A/B  
Cupertino, CA 95014  
Attn: Amit Parikh

Morgan Stanley Venture Investors III,  
L.P.  
3000 Sand Hill Road  
Building Four - Suite 250  
Menlo Park, California 94025  
Attn: William J. Harding

F&W Investments LLC – 2001  
Two Palo Alto Square  
Palo Alto, CA 94306  
Attn: Laird Simons

The Morgan Stanley Venture Partners  
Entrepreneur Fund, L.P.  
3000 Sand Hill Road  
Building Four - Suite 250  
Menlo Park, California 94025  
Attn: William J. Harding

Goel Family Partnership  
c/o Prabhu Goel  
98 Ridgeview Drive  
Atherton, CA 94027-6464

Pankaj Parekh  
1831 Parkview Green Circle  
San Jose CA 95131

Greylock IX Limited Partnership  
880 Witter ST  
Waltham, MA 02451  
Attn: Donald Sullivan

The Vimal & Shubhangi Vaidya  
Revocable Living Trust  
720 Vista Cerro Terrance  
Fremont, CA 94539

Morgan Stanley Venture Partners III, L.P.  
3000 Sand Hill Road  
Building Four - Suite 250  
Menlo Park, California 94025  
Attn: William J. Harding

**SCHEDULE A**

**Existing Liens**

<b>Lien Holder</b>	<b>Secured Assets</b>
GE Capital Colonial Pacific Leasing Corporation Portland, OR  File Date: April 26, 2001	1 - 4-Multilayer 10/100 TX Ethernet Load Module  1 - 2-Prt Multilayer Gigabit SX Load Module, Multimode
GE Capital Colonial Pacific Leasing Corporation Portland, OR  File Date: May 30, 2001	4 - Intel Pentium 866MHZ, 1.44 Floppy, 20.0 Gigabyte Hard Drive, 256 Megabyte Ram Memory, 52X CDROM, 3Com 10/100 Ethernet Card, ATI SVGA Card with 16 Mem Ram Memory, (AGP) Mid Tower Case with 300 Watts Power Supply 101 Enhanced Keyboard, Mouse; S/N: 01D19E S/N: 01D19F; S/N: 01D19G; S/N: 01D19H  3 - Intel Pentium III-866MHZ 40GB with above Configuration, sound card S/N: 01D19B; S/N: 01D19C; S/N: 01D19D  1 - Intel Pentium III-866MHZ, 512 Megabyte Ram, 40 Gigabyte Hard Drive, Sound Card with above configuration S/N: 01D19A  1 - Bigiron 4000, 4-slot chassis with one (1) RPS3 power supply included P/N: B400  1 - Bigiron Mgmt III module with 8-port Gig Optics (SX Optics for 50 or 62.5 u MM Fiber SC) DB-9m serial console port P/N: B8GMR3-A  1 - Bigiron/Netiron 400/800 24 port-10/100 base TX (Rj45) Ethernet module P/N: B24E  1 - Technet Bronze Support Bigiron 4000/8000 P/N: Bronze-05

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**SCHEDULE B**

**Location of Collateral**

All of the Collateral is located at the address provided in Section 5.6 of the Agreement.

19567/00600/DOCS/1202867.5

**TRADEMARK**  
**REEL: 002399 FRAME: 0499**

**SCHEDULE C**

**Intellectual Property**

1. PATENTS

<b>Title</b>	<b>Inventors</b>	<b>Filing Date/ Serial No.</b>	<b>Issue Date/ Patent No.</b>	<b>Country</b>
Universal Application Decode Engine	Pankaj Parekh Sandeep Gupta Vijay Mamtani Himanshu Deoskar	(Utility of 60/233,858)		U.S.A.



2. TRADEMARKS

A. REGISTRATIONS AND APPLICATIONS

<b>Mark</b>	<b>Application Date/ Application No.</b>	<b>Registration Date/ Registration No.</b>	<b>Country</b>
IPENFORCER	January 6, 2001 76/200,298		U.S.A.
IPOLICY NETWORKS	April 14, 2000 76/026,606		U.S.A.

B. COMMON LAW MARKS

ipENFORCER  
iPOLICY NETWORKS

### 3. COPYRIGHTS

1. ipEnforcer 5000 Hardware
2. ipEnforcer 5000 Light Speed 1 Packet Analysis Engine
3. ipEnforcer 5000 Firewall Service Application Module Software
4. ipEnforcer 5000 Anti-Virus Service Application Module Software
5. ipEnforcer 5000 URL Screening Service Application Module Software
6. ipEnforcer 5000 Intrusion Detection Service Application Module Software
7. ipEnforcer 5000 Secure QoS Service Application Module Software
8. ipEnforcer 5000 VLAN Service Application Module Software
9. ipEnforcer Unified Service Manager System
10. ipEnforcer Unified Service Manager Global Service Administrator Software
11. ipEnforcer Unified Service Manager Local Service Supervisor Software
12. ipEnforcer Unified Service Manager Graphical Service Interface Software

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