

12-14-2001



To the Honorable (

the attached original documents or copy thereof.

101917937

12-13-01

1. Name of conveying party(ies):

VA LINUX SYSTEMS, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: DELAWARE

Other:

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

3. Nature of Conveyance:

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

Execution Date: September 17, 2001

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

Name: COMERICA BANK-CALIFORNIA
Address: 75 E. TRIMBLE ROAD
City: SAN JOSE State: CA Zip: 95131

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other: California banking corporation

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 [X] No

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

A. Trademark Application No.(s)

75/598,477	76/041,695	75/779,598
75/779,545	75/598,476	75/779,271
76/041,694	75/779,880	75/779,596
75/779,599		

B. Trademark Registration No.(s)

2,445,538

Additional numbers attached? [] Yes [x] No

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

Name: Erin O'Brien
Internal Address: GRAY CARY WARE & FREIDENRICH
4365 Executive Drive, Suite 1100
San Diego, CA 92121-2133

6 Total number of applications and registrations involved: 11

7. Total fee (37 CFR 3.41) \$290.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(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.

Erin O'Brien
Name of Person Signing

Erin O'Brien
Signature

December 12, 2001
Date

Total number of pages comprising cover sheet: [8]

Mail Documents to be recorded with required cover sheet information to:
U.S. Patent and Trademark Office, Office of Public Records
1213 Jefferson Davis Highway, 3rd Floor
Arlington, VA 22202

12/13/2001 6TON11 00000028 75598477

01 FC:481
02 FC:482

40.00 OP
250.00 OP

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of September 17, 2001 by and between COMERICA BANK – CALIFORNIA (“Bank”) and VA LINUX SYSTEMS, INC., a Delaware corporation (“Grantor”).

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the “Loans”) Loan and Security Agreement dated as of February 18, 1999, as amended by that certain First Amendment to Loan and Security Agreement dated as of January 24, 2000 and that certain Second Amendment to Loan and Security Agreement dated as of May 09, 2000, and as amended thereafter (the “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, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under all other agreements 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.

IN WITNESS WHEREOF, the parties have cause this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.


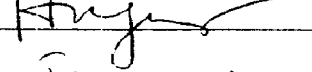
GRANTOR:

VA LINUX SYSTEMS, INC.

Address of Grantor:

47071 Bayside Parkway
Fremont, California 94538

Attn: Chief Financial Officer

By:  
Title: VP + CFO Treasurer

BANK:

COMERICA BANK - CALIFORNIA

Address of Bank:

Attn: Fred L. Vela

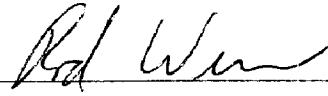
By: 
Title: VP

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
(Design only)	76/041,695	05/04/00
Sourceforge	76/041,694	05/04/00
Startx	75/779,880	08/20/99
VA TLC	75/779,599	08/17/99
Fullon	75/779,598	08/17/99
(Design only)	2,445,538	04/24/01

EXHIBIT B

VA LINUX SYSTEMS, INC.
PENDING U.S. PATENT APPLICATIONS
September 27, 2001

- Low Profile Highly Accessible Computer Enclosure with Plenum for Cooling High Power Processors
 - Inventor: Matthew P. Casebolt
 - Serial Number: 09/804,559
 - Filing Date: March 12, 2001

- Low Profile High Density Rack Mountable Enclosure with Superior Cooling and Highly Accessible Reconfigurable Components
 - Inventor: Matthew P. Casebolt
 - Serial Number: 09/691,467
 - Filing Date: October 16, 2000

- Computer System for Highly Dense Mounting of System Components
 - Inventors: Matthew P. Casebolt; Robert E. Ogrey
 - Serial Number: 09/370,121
 - Filing Date: August 6, 1999

- Method For Build-To-Order Software
 - Inventors: Christopher E. Antilla; Vinh Bui; Jason Collins; Patrick Devine;
 - Walter F. Drummond III; Samuel Flory; and Charles H. Salzenberg
 - Serial Number: 09/637,188
 - Filing Date: August 11, 2000

Exhibit C (continued)

VA LINUX SYSTEMS, INC.
PENDING TRADEMARK REGISTRATIONS

27-Sep-01

CountryName	TrademarkName	Class	FileDate	ApplNumber
United States of America	BOSS	9		
United States of America	CLUSTER CITY			
United States of America	DESIGN (ORB)	9	03-Dec-98	75/598,477
United States of America	DESIGN (TLC)			
United States of America	DESIGN (VA IN AN OVAL)	93742	04-May-00	76/041,695
United States of America	FULLON	93742	17-Aug-99	75/779,598
United States of America	GEN2 XMP			
United States of America	GOFULLON	93742	17-Aug-99	75/779,545
United States of America	LINUX HARDWARE SOLUTION		03-Dec-98	75/598,476
United States of America	LINUX WITHOUT LIMITS	93742		
United States of America	OSDN	93742		
United States of America	SERVICE TLC	93742	17-Aug-99	75/779,271
Australia	SOURCEFORGE	93842	03-Nov-00	855977
Brazil	SOURCEFORGE	9	06-Nov-00	822771349
Brazil	SOURCEFORGE	38	06-Nov-00	822771357
Brazil	SOURCEFORGE	42	06-Nov-00	822771365
Canada	SOURCEFORGE	93842	06-Nov-00	1081556
China	SOURCEFORGE	9	06-Nov-00	2000170692
China	SOURCEFORGE	38	06-Nov-00	2000170693
China	SOURCEFORGE	42	06-Nov-00	2000170694

European Community	SOURCEFORGE	93842	03-Nov-00	1938166
Hong Kong	SOURCEFORGE	9	03-Nov-00	24400/2000
Hong Kong	SOURCEFORGE	38	03-Nov-00	24402/2000
Hong Kong	SOURCEFORGE	42	03-Nov-00	24401/2000
Japan	SOURCEFORGE	93842	02-Nov-00	119525/2000
Korea (South)	SOURCEFORGE	93842	03-Nov-00	2000-5328
Mexico	SOURCEFORGE	9	08-Nov-00	456772
Mexico	SOURCEFORGE	38	08-Nov-00	456770
Mexico	SOURCEFORGE	42	08-Nov-00	456771
Switzerland	SOURCEFORGE	93842	03-Nov-00	13142/2000
Taiwan	SOURCEFORGE	9	02-Nov-00	89063907
Taiwan	SOURCEFORGE	38	02-Nov-00	89063906
Taiwan	SOURCEFORGE	42	02-Nov-00	89063905
United States of America	SOURCEFORGE	93842	04-May-00	76/041,694
United States of America	STARTX	93742	20-Aug-99	75/779,880
United States of America	SUPPORT TLC	93742	17-Aug-99	75/779,596
United States of America	TLC			
United States of America	TOTAL LINUX COVERAGE			
United States of America	TOTAL LINUX COVERAGE AND DESIGN (TLC)			
Australia	VA LINUX SYSTEMS	93842	13-Sep-00	850128
Benelux	VA LINUX SYSTEMS	93842	14-Mar-00	959737
Brazil	VA LINUX SYSTEMS	9	14-Sep-00	822618354
Brazil	VA LINUX SYSTEMS	38	14-Sep-00	822618362

Brazil	VA LINUX SYSTEMS	42	14-Sep-00	822618370
Canada	VA LINUX SYSTEMS		14-Sep-00	1075036
China	VA LINUX SYSTEMS	9	14-Sep-00	2000142726
China	VA LINUX SYSTEMS	38	14-Sep-00	2000142727
China	VA LINUX SYSTEMS	42	14-Sep-00	2000142728
European Community	VA LINUX SYSTEMS	93842	14-Sep-00	1855451
Hong Kong	VA LINUX SYSTEMS	9	14-Sep-00	20526/2000
Hong Kong	VA LINUX SYSTEMS	38	14-Sep-00	20527/2000
Hong Kong	VA LINUX SYSTEMS	42	14-Sep-00	20528/2000
Japan	VA LINUX SYSTEMS	93842	14-Sep-00	101037/2000
Korea (South)	VA LINUX SYSTEMS	93842	14-Sep-00	2000-4409
Mexico	VA LINUX SYSTEMS	9	14-Sep-00	447649
Mexico	VA LINUX SYSTEMS	38	14-Sep-00	447648
Mexico	VA LINUX SYSTEMS	42	14-Sep-00	447650
Switzerland	VA LINUX SYSTEMS	93842	13-Sep-00	10915/2000
Taiwan	VA LINUX SYSTEMS	9	13-Sep-00	8905269
Taiwan	VA LINUX SYSTEMS	38	13-Sep-00	89052970
Taiwan	VA LINUX SYSTEMS	42	13-Sep-00	89052971
United States of America	VA LINUX SYSTEMS			
United States of America	VA TLC	93742	17-Aug-99	75/779,599
United States of America	VARMON	9		