

10-22-2002



Recordation Form Cover Sheet

U.S. Department of Commerce  
Patent and Trademark Office

**TRADEMARKS ONLY**

**102257509**

Please record the attached original documents or copy thereof.

1. Name of conveying party(ies)  
**Imperial Technology, Inc.**

*10-15-02*

Individual(s) \_\_\_\_\_ Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_ Limited Partnership \_\_\_\_\_  
 Corporation - State **Delaware**  
 Other \_\_\_\_\_

Additional name(s) of conveying Party(ies) attached?  
 Yes \_\_\_\_\_ No

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

Execution Date: **September 17, 2002**

2. Name and address of receiving party(ies):  
 Name: **Celerity Omega II, LLC**  
 Internal Address: \_\_\_\_\_  
 Street Address: **11111 Santa Monica Blvd., Suite 1127**  
 City: **Los Angeles** State: **CA** Zip: **90025**

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership: \_\_\_\_\_  
 Limited Partnership: \_\_\_\_\_  
 Corporation - State: \_\_\_\_\_  
 Other **Delaware limited liability company**

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes \_\_\_\_\_ No \_\_\_\_\_  
 (Designation must be a separate document from Assignment)  
 Additional Name(s) & address(es) attached:  
 Yes \_\_\_\_\_ No

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s): **78/050414 and 78/112377**  
 B. Trademark Registration No.(s): **1,261,555; 1,347,480; 1,448,197; and 1,899,700**

Additional numbers attached? Yes \_\_\_\_\_ No

5. Name and address of party to whom correspondence concerning documents should be mailed:  
 Name: **Mandy Robertson-Bora**  
 Internal Address: **Gibson, Dunn & Crutcher LLP**  
**Suite 4000**  
 Street Address: **2029 Century Park East**  
 City: **Los Angeles** State: **CA** Zip: **90067**

6. Total number of applications and registrations involved: \_\_\_\_\_

7. Total fee (37 CFR 3.41): \$ **165.00**  
 Enclosed  
 \_\_\_\_\_ Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_  
 (Attach duplicate copy of this page if paying by deposit account)

OFFICE OF PUBLIC RECORDS  
 2002 OCT 15 AM 11 14  
 FINANCE SECTION

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.

**Mandy Robertson-Bora** *Mandy Robt-Bora* **October 15, 2002**  
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments and document: **18**

OMB No. 0651-0011

Do not detach this portion

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

**U.S. Patent and Trademark Office, Assignment Division**  
**Box Assignments**  
**Washington, D.C. 20231**

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing this document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

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 02 FC:8522 125.00 OP  
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**TRADEMARK**  
**REEL: 002602 FRAME: 0694**

**SECURITY AGREEMENT  
(IMPERIAL TECHNOLOGY, INC.)**

THIS SECURITY AGREEMENT (this "Security Agreement"), is dated as of September 17, 2002, among IMPERIAL TECHNOLOGY, INC., a Delaware corporation (the "Company"), in favor of CELERITY OMEGA II, LLC, a Delaware limited liability company, in its capacity as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties described below.

W I T N E S E T H

A. WHEREAS, pursuant to the Note Purchase Agreement dated as of September 17, 2002 (the "Note Purchase Agreement") among Celerity Omega, Inc., a Delaware corporation and the parent corporation of the Company (the "Issuer"), the Company and the persons identified therein as the purchasers (the "Secured Parties"), the Issuer has agreed to sell and, subject to the conditions therein provided, the Secured Parties have agreed to purchase in one or more installments, secured convertible promissory notes (the "Notes"; and, together the Note Purchase Agreement, this Security Agreement and each other document or instrument executed in connection herewith or therewith, the "Transaction Documents") for an aggregate purchase price of \$1,000,000.

B. WHEREAS, pursuant to the Note Purchase Agreement, the Company has guaranteed the Issuer's obligations under Notes and the other Transaction Documents.

C. WHEREAS, in order to secure the Company's prompt payment and performance of all of the Company's Obligations (as such term is defined in the Note Purchase Agreement), the Company has agreed to execute and deliver this Security Agreement.

NOW, THEREFORE, in consideration of the premises and covenants contained herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged and received, the parties hereto agree as follows:

A G R E E M E N T

1. Defined Terms. Terms defined in the Note Purchase Agreement (or incorporated by reference therein) are used herein as therein defined. All terms not otherwise defined herein shall have the meanings provided for by the Uniform Commercial Code as enacted and in effect in the State of California (the "UCC"). As used herein:

1.1 "Collateral" means all personal property and all other assets of the Company, whether now owned by or owing to, or hereafter acquired by or arising in favor of the Company (including, without limitation, under any trade names, styles or divisions thereof), and whether owned, leased or consigned by or to the Company, and regardless of where located including, but not limited to, the following:

- (a) all Accounts;

- (b) all Chattel Paper;
- (c) all Documents;
- (d) all General Intangibles;
- (e) all Instruments;
- (f) all Goods (including Inventory, Equipment and Fixtures);
- (g) all Investment Property;
- (h) all Deposit Accounts of the Company including all deposits therein and investments made with the funds therein;
- (i) all Supporting Obligations;
- (j) all Letter of Credit Rights;
- (k) all money, cash or cash equivalents of the Company; and
- (l) to the extent not otherwise included, all Proceeds, tort claims, insurance claims and other rights to payments not otherwise included in the foregoing and products of the foregoing and all accessions to, substitutions and replacements for, and rents and profits of, each of the foregoing.

## 2.1 Security Interest.

2.1 Grant of Security Interest. To secure the prompt and complete payment, performance and observance of the Obligations, and to induce the Collateral Agent and the Secured Parties to enter into the Transaction Documents, to purchase the Notes, the Company hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to the Collateral Agent, for its benefit and that of the Secured Parties, a first priority security interest in all of the Company's right, title and interest in, to and under the Collateral.

2.2 Security Interest Absolute. Except as required by applicable law, all right of the Collateral Agent hereunder, the security interest granted hereby, and all obligations of the Company hereunder, shall be absolute and unconditional irrespective of (a) any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any other agreement or instrument, (c) any exchange, release or non-perfection of any other Collateral, or any release, amendment or waiver of, or consent to or departure from, any guaranty for all or any of the Obligations, or (d) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Company in respect of the Obligations or in respect of this Security Agreement.

3. Representations And Warranties. The Company makes the following representations and warranties to the Collateral Agent and to each Secured Party:

3.1 Collateral. The Company has good and marketable title to the Collateral, free and clear of any lien, security interest, pledge, assignment, encumbrance or other interest of any third party, other than such liens and security interests as are permitted to exist by the Note Purchase Agreement. The Company has all requisite power and authority to pledge and grant a first priority security interest in the Collateral as contemplated in this Security Agreement and to create a first priority lien on the Collateral in favor of the Collateral Agent and the Secured Parties. Subject to the provisions of the Intercreditor Agreement, this Security Agreement, together with any filings required to be made and upon the execution and delivery of the Intercreditor Agreement, shall create a valid first priority lien upon and perfected first priority security interest in the Collateral subject to no prior security interest, lien, encumbrance or other restriction except as otherwise provided in the Intercreditor Agreement. This Security Agreement, when executed, has been duly and validly executed and is the legal, valid and binding obligation of the Company and is enforceable against the Company by the Collateral Agent in accordance with its terms. The Company's intellectual property is described on Schedule B hereto.

3.2 Claims. The Collateral is not the subject of any present or threatened suit, action, arbitration, administrative or other proceeding, and the Company is not aware of the institution of any such proceedings. No authorization, approval or other action by, and no notice to or filing (other than the filing of a financing statement) with, any governmental authority or regulatory body is required either (i) for the pledge by the Company of the Collateral pursuant to this Security Agreement, (ii) for the execution, delivery or performance of this Security Agreement by the Company or (iii) for the exercise by the Collateral Agent of any remedies with respect to the Collateral.

4. Covenants. The Company hereby covenants to and agrees with the Collateral Agent and to and with each Secured Party that, from the date hereof and thereafter until the Transaction Documents are terminated:

4.1 Corporate Changes. The Company shall not change its corporate form or jurisdiction of organization or relocate its chief executive office. The Company shall preserve and keep in full force and effect its valid existence and all rights and franchises material to the Company.

4.2 Payments and Insurance. The Company shall pay and discharge all taxes, assessments and charges or levies against the Company or the Collateral prior to delinquency thereof. The Company, at its own expense, shall have and maintain insurance at all times with respect to all Collateral against such risks and liabilities, with such carrier and in such amounts as the Collateral Agent and the Secured Parties may reasonably require. The Collateral Agent and the Secured Parties shall each be an additional insured with respect to all risk and liability insurance. All other insurance shall provide that the Collateral Agent, the Secured Parties and the Company are joint loss payees as their interests may appear and shall not be subject to cancellation or reduction in coverage without thirty (30) days' prior written notice to the

Collateral Agent. The Company shall supply certificates of such insurance to the Collateral agent and any Secured Party upon request.

4.3 No Disposition of Collateral. Other than dispositions of Collateral in the ordinary course of business consistent with past practice, the Company shall not sell, convey, assign (by operation of law or otherwise), exchange or otherwise voluntarily or involuntarily transfer or dispose of any interest in the Collateral or any portion thereof or encumber, or hypothecate, or create, incur or permit to exist any pledge, mortgage, lien, security interest, charge, encumbrance or adverse claim upon or other interest in or with respect to any of the Collateral.

4.4 Records and Reports. The Company will maintain books and records with respect to the Collateral, and furnish to the Collateral Agent and any Secured Party such reports relating to the Collateral as the Collateral Agent or any Secured Party shall from time to time reasonably request.

4.5 Further Assurances. The Company will execute and deliver to the Collateral Agent all financing statements, amendments thereto and other documents, and will perform such other actions, as are from time to time reasonably requested by the Collateral Agent in order to perfect, maintain and protect the validity, enforceability and perfected status of the first priority perfected security interest in the Collateral or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to the Collateral.

4.6 Defense of Collateral. The Company shall not permit the inclusion in any contract to which it becomes a party of any provisions that could or might in any way impair or prevent the creation of a security interest in the Company's rights and interests in any property included within the definition of the Collateral acquired under such contracts.

4.7 Inspection And Verification. The Collateral Agent and any Secured Party shall have the right, upon reasonable advance notice and at such times as may be reasonably requested, to enter into and upon any premises where any of the Collateral or records with respect thereto are located for the purpose of inspecting the same, performing an audit, making copies of records, observing the use of any part of the Collateral, protecting the Secured Parties' security interest in the Collateral (including discussing the Company's affairs with the officers of the Company and their independent auditors) or otherwise determining whether the Company is in compliance with the terms of this Security Agreement.

4.8 Maintenance of Collateral. The Company shall maintain and preserve all of its properties which are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear and tear excepted, and comply at all times with the provisions of all leases to which it is a party as lessee so as to prevent any loss or forfeiture thereof or thereunder.

5. Events Of Default. Any one or more of the following events (each, an "Event of Default") shall constitute a default by the Company under this Security Agreement:

5.1 The occurrence of an Event of Default as defined in any Transaction Document; or

5.2 The Company's breach of any representation or warranty, or violation or failure to perform any of the covenants or agreements in this Security Agreement.

6. Remedies Upon Default

6.1 Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Collateral Agent may, in its sole and absolute discretion, or shall, upon the instruction of the Required Purchasers, and without notice or demand, exercise and shall have any and all rights and remedies accorded to the Collateral Agent and the Secured Parties under this Security Agreement or otherwise by the UCC and/or any other governing law, including, without limitation, the right of the Collateral Agent to retain the Collateral in satisfaction of the obligation or sell the Collateral at public or private sale in accordance with the UCC or any other applicable statute. If any notification of disposition of all or any portion of the Collateral is required by law, such notification shall be deemed reasonably and properly given if mailed at least ten (10) days prior to such disposition, postage prepaid to the Company at its last address appearing on the records of the Collateral Agent by registered or certified mail, return receipt requested.

6.2 The Company's Obligations Upon Event of Default. Upon the request of the Collateral Agent after the occurrence and during the continuance of an Event of Default, the Company will promptly:

(a) Assemble and make available to the Collateral Agent the Collateral and all records relating thereto at the Company's principal place of business.

(b) Permit the Collateral Agent, or the Collateral Agent's representatives, with or without judicial process or the aid or assistance of others, to enter any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral and to remove all or any part of the Collateral, to complete the provision of any services giving rise to any Collateral or take actions as the Collateral Agent shall deem necessary to preserve and protect any Collateral.

6.3 Substitute Performance. Upon the occurrence and during the continuance of an Event of Default or an event which, upon the lapse of time or the giving of notice, or both, would constitute an Event of Default, without having any obligation to do so, the Collateral Agent or any Secured Party may, upon notice to the Company, perform or pay any obligation which the Company has agreed to perform or pay in this Security Agreement but has not performed or paid and the Company shall reimburse the Collateral Agent or such Secured Party for any amounts paid or incurred pursuant to such performance or payment.

6.4 Application of Funds Received. The proceeds of Collateral received by the Collateral Agent or the Secured Parties shall be applied as follows:

(a) First, for the payment of all reasonable costs, expenses, attorneys', paralegals' and other professionals' fees, taxes and charges incurred by the Collateral Agent and the Secured Parties in connection with collection of any sum and foreclosure on Collateral, whether accruing before or after such Event of Default;

(b) Second, ratably, for the payment of all other Obligations under the Transaction Documents; and

(c) Third, to such other persons (including, without limitation, the Company) as shall be legally entitled thereto.

6.5 Remedies Cumulative. All rights, powers and remedies contained in this Security Agreement or afforded by law shall be cumulative and all shall be available to the Collateral Agent and the Secured Parties until the Obligations have been paid in full.

7. [Intentionally Omitted]

8. General Provisions.

8.1 Waivers, Amendments and Remedies. No delay or omission of the Collateral Agent to exercise any right, power or remedy granted under this Security Agreement shall impair such right, power or remedy or be construed to be a waiver of any Event of Default or an acquiescence therein, and any single or partial exercise of any such right, power or remedy shall not preclude other or further exercise thereof or the exercise of any other right, power or remedy, and no waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless signed by each of the parties hereto, and then only to the extent specifically set forth in such writing.

8.2 General Authorizations.

(a) The Company irrevocably authorizes the Collateral Agent at any time and from time to time in the sole discretion of the Collateral Agent, and irrevocably appoints the Collateral Agent as its attorney-in-fact to act on behalf of the Company, in the name of the Company or otherwise, from time to time in the Collateral Agent's discretion, to take any action and to execute any instrument which the Collateral Agent may deem reasonably necessary or advisable to accomplish the purposes of this Security Agreement, including without limitation (a) to execute on behalf of the Company and to file financing statements necessary or desirable in the Collateral Agent's sole discretion to perfect and to maintain the perfection and priority of the Collateral Agent's security interest in the Collateral; (b) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as the Collateral Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Collateral Agent's security interest in the Collateral; (c) to cause the proceeds of any Collateral received by the Collateral Agent to be applied to the Obligations; and (d) to send requests for verification of any Collateral or any proceeds therefrom.

(b) Upon the occurrence and during the continuance of any Event of Default, the Company irrevocably authorizes the Collateral Agent at any time and from time to time in the sole discretion of the Collateral Agent, and irrevocably appoints the Collateral Agent as its attorney-in-fact to act on behalf of the Company, in the name of the Company or otherwise, from time to time in the Collateral Agent's discretion, to take any of the following actions: (a) to sign the Company's name on any invoice or bill of lading relating to any Collateral, including any schedules and assignments of such Collateral, on notices of assignment, financing statements

and other public records, on verifications of accounts and on notices to licensees; (b) to grant or issue any exclusive or nonexclusive license under the Collateral to any person, to the extent consistent with the terms of the License Agreements; (c) to assign, pledge, convey or otherwise transfer title in or to or dispose of the Collateral to any party, including without limitation, to make assignments, recordings, registrations and applications therefor in the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency of the United States, any State thereof or any other country or political subdivision thereof, and to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect any of the foregoing or the recordation, registration, filing or perfection thereof or (d) to settle and adjust disputes and claims respecting the Accounts, Chattel Paper or General Intangibles directly with Account Debtors, for amounts and upon terms that the Collateral Agent determines to be reasonable.

(c) The Company ratifies and approves all acts of such attorney-in-fact. The Collateral Agent will not be liable for any acts or omissions except those determined pursuant to a final, non-appealable order of a court of competent jurisdiction to have resulted solely from the Collateral Agent's gross negligence or willful misconduct. The power conferred on the Collateral Agent hereunder is solely to protect its interests in the Collateral and shall not impose any duty upon the Collateral Agent to exercise such power. This power, being coupled with an interest, is irrevocable.

8.3 Fees and Expenses. The Company agrees to pay upon demand to the Collateral Agent and any Secured Party the amount of all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts of the Collateral Agent or any Secured Party, which the Collateral Agent or any Secured Party may incur in connection with (a) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, (b) the administration of this Security Agreement or any Transaction Document, (c) the exercise or enforcement of any of the rights of the Collateral Agent or any Secured Party hereunder or thereunder, or (d) the failure by the Company to perform or observe any of the provisions hereof or thereof.

8.4 Indemnification.

(a) The Company agrees to indemnify the Collateral Agent, the Secured Parties, and each of their respective partners, employees, officers, directors and agents against, and defend and hold them harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable attorneys', paralegals' and other professional fees, disbursements and other charges, incurred by or asserted against any of them arising out of, in any way connected with, or as a result of, the execution, delivery or performance of this Security Agreement or any claim, litigation, investigation or proceeding relating hereto or to the Collateral, whether or not the Collateral Agent or a Secured Party is a party thereto; provided that such indemnity shall not be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of the Collateral Agent or Secured Party.



(b) The provisions of this Section 8.4 shall remain operative and in full force and effect regardless of the termination of this Security Agreement or any Transaction Document, the consummation of the transactions contemplated hereby and thereby, the invalidity or unenforceability of any term or provision of this Security Agreement or any Transaction Document, or any investigation made by or on behalf of the Collateral Agent or any Secured Party.

(c) Any such amounts payable as provided hereunder shall be additional Obligations secured by this Security Agreement, and all amounts due under this Section 8.4 shall be payable on written demand therefor and shall bear interest at the rate of 10% per annum (or the highest amount permitted by law) from the date incurred by the Collateral Agent until paid in full.

8.5 Insolvency. Notwithstanding anything to the contrary contained in this Security Agreement, this Security 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 any benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Company's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the obligations, 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 obligations, whether as a "voidable preference," "fraudulent conveyance" or otherwise, all as though such payment, or any part thereof, is rescinded, reduced, restored or returned.

9. Miscellaneous.

9.1 Binding Agreement; Assignments. This Security Agreement, and the terms, covenants and conditions hereof, shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Collateral Agent and the Secured Parties may assign their rights and obligations under this Security Agreement by notifying the Company of such assignment and providing the Company with a copy of such assignment, provided that such assignment is concurrently with assignment of the Notes to such assignee. The Company shall not assign this Security Agreement and any unconsented assignment shall be void *ab initio*.

9.2 GOVERNING LAW AND CONSENT TO JURISDICTION. THE VALIDITY, CONSTRUCTION AND EFFECT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

ANY ACTION OF ANY TYPE OR NATURE WHATSOEVER WITH RESPECT TO THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, SHALL BE BROUGHT IN A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE CITY OF LOS ANGELES, STATE OF CALIFORNIA, AND THE COMPANY ACCEPTS FOR ITSELF AND ITS ASSETS AND PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS.

THE COMPANY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION IN ANY SUCH JURISDICTION.

9.3 WAIVER OF JURY TRIAL. THE COMPANY WAIVES ANY RIGHT TO TRIAL BY JURY WITH REGARD TO ANY ACTION OF ANY TYPE OR NATURE WHATSOEVER UNDER OR CONCERNING THIS AGREEMENT OR IN ANY WAY RELATED TO THE NOTES, THE COLLATERAL OR THE ADMINISTRATION OR ENFORCEMENT THEREOF.

9.4 Notices. All communications and notices hereunder shall be in writing and given as provided in the Notes.

9.5 Severability. In case any one or more of the provisions contained in this Security Agreement should be invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal and unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

9.6 Counterparts. This Security Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument.

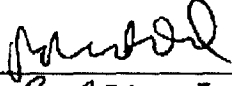
9.7 Termination. This Security Agreement and the security interest granted hereby shall terminate only after all the Obligations have been paid in full, at which time the Collateral Agent, at the expense of the Company, shall execute and deliver to the Company UCC termination statements and similar documents prepared by the Company which the Company shall reasonably request to evidence such termination.

9.8 Modification. The Company, by its execution hereof, agrees that any modification or amendment of this Security Agreement or the other Transaction Documents shall be ineffective unless in writing and signed by the Required Purchasers and the Company.

***Signature Page Follows.***

IN WITNESS WHEREOF, the Company has caused this Security Agreement to be executed as of the date first set forth above.

**IMPERIAL TECHNOLOGY, INC.**

By:  RM  
Name: ROBERT DAVID  
Title: CEO

**CELERITY OMEGA II, LLC**  
as the Collateral Agent


By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the Company has caused this Security Agreement to be executed as of the date first set forth above.

**IMPERIAL TECHNOLOGY, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CELERITY OMEGA II, LLC**  
as the Collateral Agent

By:  \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SCHEDULE A**  
**(INTELLECTUAL PROPERTY)**

See Attached Schedule.

LA\_10635092\_1.DOC

**Schedule A**  
**to Security Agreement**  
**(Intellectual Property; Imperial Technology, Inc.)**

Proven Performance, Proven Results #78/050414

SANaccelerator #78/112377

Imperial Storage Networks #78/050407

MegaDisk #78/054237

See also the attached Addendum to Schedule A to Security Agreement.

*Addendum to Schedule A to Security Agreement*

TITLE	SERIAL NO.	FILING DATE	TRADEMARK NO.	ISSUE DATE	STATUS
MAXIRAM	73/270,251	07/14/1980	1,172,092	10/06/1981	<p>REGISTERED: Owner - Imperial Technology, Inc.</p> <p>Assignor - Imperial Technology, Inc. assigns the entire Interest and Good Will to I.T. Acquisition, Inc., a Delaware Corporation, Recorded 02/19/1988</p> <p>Assignor - Imperial Technology, Inc. Assigns Security Interest to Bank of America National Trust and Savings Association, Recorded 09/14/1989</p> <p>Renewal Reminders (1) 10/06/2000; (2) 04/06/2001; &amp; Renewal Due 10/06/2001.</p>
MEGARAM	73/376,669	07/26/1982	1,261,555	12/20/1983	<p>REGISTERED: Owner - Imperial Technology, Inc.</p> <p>Assignor - Imperial Technology, Inc. assigns the entire Interest and Good Will to I.T. Acquisition, Inc., a Delaware Corporation, Recorded 02/19/1988</p> <p>Assignor - Imperial Technology, Inc. Assigns Security Interest to Bank of America National Trust and Savings Association, Recorded 09/14/1989</p> <p>Renewal Reminders (1) 12/20/2002; (2) 06/20/2003; &amp; Renewal Due 12/20/2003.</p>
TITLE	SERIAL NO.	FILING DATE	TRADEMARK NO.	ISSUE DATE	STATUS

MEGASTREAM	73/511,989	12/04/1984	1,347,480	07/09/1985	<p><b>REGISTERED:</b> Owner - Imperial Technology, Inc.</p> <p>Assignor - Imperial Technology, Inc. assigns the entire Interest and Good Will to I.T. Acquisition, Inc., a Delaware Corporation, Recorded 02/19/1988</p> <p>Assignor - Imperial Technology, Inc. Assigns Security Interest to Bank of America National Trust and Savings Association, Recorded 09/14/1989</p> <p>Renewal Reminders (1) 07/09/2004, (2) 01/09/2005; &amp; Renewal Due 07/09/2005.</p>
MEGACARD	73/577,451	01/13/1986	1,448,197	07/21/1987	<p><b>REGISTERED:</b> Owner - Imperial Technology, Inc.</p> <p>Assignor - Imperial Technology, Inc. assigns the entire Interest and Good Will to I.T. Acquisition, Inc., a Delaware Corporation, Recorded 02/19/1988</p> <p>Assignor - Imperial Technology, Inc. Assigns Security Interest to Bank of America National Trust and Savings Association, Recorded 09/14/1989</p> <p>Renewal Reminders (1) 07/21/2006; (2) 01/21/2007; &amp; Renewal Due 07/21/2007.</p>
<b>TITLE</b>	<b>SERIAL NO.</b>	<b>FILING DATE</b>	<b>TRADEMARK NO.</b>	<b>ISSUE DATE</b>	<b>STATUS</b>



<b>REGISTREID:</b> Owner - Imperial Technology, Inc.  Renewal Reminders (1) 06/13/2004; (2) 12/13/2004; & Renewal Due 06/13/2005. 8&15 Aff. Reminders (1) 06/13/2000; (2) 12/13/2000; and 8&15 Affidavit Due 06/13/2001.	06/13/1995	1,899,700	09/02/1993	74/432,748	MEGACACHE
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