

11-12-2002

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

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

1. Name of conveying party(ies): R. F. Solutions, Inc. 11-1-02
Individual(s) Association
General Partnership Limited Partnership
Corporation-State
Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Alliance Technology Ventures, III, L.P.
Internal Address:
Street Address: 8995 Westside Parkway, Suite 200
City: Alpharetta State: Georgia Zip: 30004
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

3. Nature of conveyance:
Assignment Merger
Security Agreement Change of Name
Other
Execution Date: September 26, 2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
78/004,665; 76/234,791; 76/234,519
B. Trademark Registration No.(s)
Additional number(s) attached Yes No

6. Total number of applications and registrations involved: 5

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Jon M. Jurgovan
Internal Address: Morris, Manning & Martin, LLP
Street Address: 3343 Peachtree Road, N.E.
City: Atlanta State: Georgia Zip: 30326

7. Total fee (37 CFR 3.41) \$ 200.00
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.
Jon M. Jurgovan
Name of Person Signing Signature
November 1, 2002
Date
Total number of pages including cover sheet, attachments, and document: 30

11/12/2002 GTOM11 00000013 78004665

01 FC:8521 40.00 OP
02 FC:8522 100.00 OP

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

Refund Ref: 11/12/2002 GTOM11 0000122339

CHECK Refund Total: \$60.00

TRADEMARK REEL: 2614 FRAME: 0914

**Recordation Form Cover Sheet  
TRADEMARKS ONLY  
Continued**

2. Name and addresses of Receiving Parties:

Yamacraw, RFS, LLC, a Georgia Limited Liability Company  
945 E. Paces Ferry Road  
Atlanta, Georgia 30326

Crystal Internet Venture Fund II (BVI), L.P., a Delaware Limited Partnership  
1120 Chester Avenue  
Suite 418  
Cleveland, Ohio 44114

Crystal Internet Venture Fund II (BVI), Crystal Vision, L.P., a Delaware Limited Partnership  
1120 Chester Avenue  
Suite 418  
Cleveland, Ohio 44114

ATA Venture I LLC, a Georgia Limited Liability Company  
Fifteen Piedmont Center  
3575 Piedmont Road  
Suite 1560  
Atlanta, Georgia 30305

ATA Venture III, LLC, a Georgia Limited Liability Company  
Fifteen Piedmont Center  
3575 Piedmont Road  
Suite 1560  
Atlanta, Georgia 30305

Encina Technology Ventures, LLC, a Georgia Limited Liability Company  
3445 Peachtree Road  
Suite 175  
Atlanta, Georgia 30326

Intelligent Systems Corporation, a Georgia Corporation  
4355 Shackleford Road  
Norcross, Georgia 30093

DRW Venture Partners, LP, a Delaware Limited Partnership  
60 South 6<sup>th</sup> Street  
Minneapolis, Minnesota 55402

963117

Application numbers or patent numbers:

76/403,562; 76/403,561

963117

**TRADEMARK**  
**REEL: 2614 FRAME: 0916**

## SECURITY AGREEMENT

SECURITY AGREEMENT (this "Agreement"), is entered into as of September 26, 2002, by R. F. Solutions, Inc., a Georgia corporation ("Company") in favor of Daniel Kellogg, Michael Slawson and I. Sigmund Mosley (collectively, the "Investors Committee"), as Agent (with any successor agent in such capacities, the "Agent"), for the benefit of the "Secured Parties" (as defined below).

### WITNESSETH:

WHEREAS, pursuant to the terms of those certain Secured Promissory Notes (the "Notes") issued pursuant to that certain Note and Warrant Purchase Agreement, dated as of the date hereof (the "Purchase Agreement") by and among Company and the purchasers named therein (collectively, the "Secured Parties"), the Secured Parties have made loans available to Company as evidenced by the Notes; and

WHEREAS, it is a condition precedent to the Secured Parties making the loans to Company evidenced by the Notes that Company executes this Agreement in favor of the Secured Parties.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the Secured Parties to make the loans evidenced by the Notes to Company, the Company and the Agent (on behalf of the Secured Parties) hereby agree as follows:

Section 1. GRANT AND PLEDGE OF SECURITY. Company hereby assigns and pledges to Agent, for the benefit of the Secured Parties, and hereby grants to Agent, for the benefit of the Secured Parties, a security interest in the following, in each case as to each type of property described below, whether now owned or hereafter owned or acquired, wherever located and whether now or hereafter existing (collectively, the "Collateral"):

(a) all of Company's right, title and interest in and to all "equipment", as such term is defined in the Uniform Commercial Code as in effect on the date hereof in the State of Georgia (the "Georgia UCC"), now or hereafter owned by Company and, in any event, shall include, but shall not be limited to, all machinery, equipment, furnishings, movable trade fixtures and vehicles and any or all additions, substitutions and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto, together with all condemnation awards, materials, appurtenances, rights and other property interests now or at any time hereafter owned by Company (any and all such machinery, property, equipment, furnishings, fixtures, attachments, components, parts and accessions being the "Equipment");

(b) all of Company's right, title and interest in and to all inventory, goods and merchandise in all of its forms, including, without limitation, (i) all raw materials, work in process therefor, finished products and other goods and materials used or consumed in

the manufacture or production thereof, (ii) goods in which the Company has an interest in mass or a joint or other interest or right of any kind (including, without limitation, goods in which Company has an interest or right as consignee), (iii) goods that are returned to or repossessed by Company, (iv) goods in which Company has an interest pursuant to all contracts between Company and any third party, and (v) all “inventory” as such term is defined in the Georgia UCC and all additions, substitutions and replacements thereof, and all accessions thereto and products thereof and documents therefor (any and all such inventory, accessions, products and documents being the “Inventory”);

(c) all of Company’s right, title and interest in and to any “account” and “general intangibles” as each such term is defined in the Georgia UCC and, in any event, shall include, but shall not be limited to, all accounts, contract rights, “chattel paper” (as defined in the Georgia UCC and hereinafter referred to as “Chattel Paper”), instruments, deposit accounts, general intangibles and other rights and obligations of any kind, whether or not arising out of or in connection with the sale or lease of goods, the rendering of services and all rights now or hereafter existing in and to all security agreements, leases and other contracts, and all guaranties, endorsements and indemnifications on, or of, any of the foregoing, securing or otherwise relating to any such accounts, contract rights, Chattel Paper, instruments, deposit accounts, general intangibles, rights or obligations (any and all such accounts, contract rights, Chattel Paper, instruments, deposit accounts, general intangibles, rights and obligations, to the extent not referred to in clause (d), (e), (f) or (g) below, being the “Receivables”, and any and all such leases, security agreements and other contracts being the “Related Contracts”);

(d) all of Company’s right, title and interest in and to each of its agreements in each case as such agreements may be amended or otherwise modified from time to time (collectively, the “Assigned Agreements”), including, without limitation, (i) all rights of Company to receive moneys due and to become due under or pursuant to the Assigned Agreements, (ii) all rights of the Company to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to the Assigned Agreements, (iii) all rights, if any, of Company pursuant to all contracts between Company and any third party, (iv) claims of the Company for damages arising out of or for breach of or default under the Assigned Agreements and (v) the right of Company to terminate the Assigned Agreements, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder (all such Collateral being the “Agreement Collateral”); provided, however, in the event that any assignment or pledge of an Assigned Agreement would cause a violation of or default under such Assigned Agreement due to a prohibition on assignment contained therein, such assignment or pledge shall be deemed to have occurred under this Agreement only after the Company obtains an appropriate consent to such assignment or pledge as contemplated in Section 5(g)(ii) hereof;

(e) all of the following (collectively, the “Account Collateral”):

(i) all deposit accounts of Company, all funds held therein and all certificates and instruments, if any, from time to time representing or evidencing such deposit accounts;

(ii) all notes, certificates of deposit, deposit accounts, checks and other instruments from time to time hereafter delivered to or otherwise possessed by Agent for or on behalf of Company in substitution for or in addition to any or all of the then existing Account Collateral; and

(iii) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the then existing Account Collateral;

(f) all of Company's right, title and interest in and to all general intangibles of the Company (other than general intangibles for money due or to become due and described in clause (c) above), including, without limitation all Intellectual Property (as hereinafter defined); and

(g) all proceeds of any and all of the foregoing Collateral (including, without limitation, proceeds that constitute property of the types described in clauses (a) through (f) of this Section 1 and all accessions and additions to, all substitutions for and all proceeds, products, substitutions and replacement of any and all of the foregoing) and, to the extent not otherwise included, all (i) payments under insurance (whether or not Secured Parties are the loss payees thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise and any and all other products of, or any rents, profits or other amounts from time to time paid or payable with respect to any of the foregoing Collateral and (ii) cash (collectively, the "Proceeds").

For purposes of this Section 1, "Intellectual Property" means all Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks, and Trademark Licenses. "Copyright" means all of the following: (a) all copyrights, works protected by copyright, copyright registrations, and copyright applications of Company, (b) all renewals, extensions, and modifications thereof, (c) all income, royalties, damages, profits, and payments relating to or payable under any of the foregoing; (d) the right to sue for past, present, or future infringements of any of the foregoing; (e) all other rights and benefits relating to any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing; in each case, whether now owned or hereafter acquired by Company. "Copyright License" means any written agreement now or hereafter in existence granting to Company any right to use any Copyright. "Patent" means all of the following: (a) all patents, patent applications, and patentable inventions of Company, and all of the inventions and improvements described and claimed therein; (b) all continuations, divisions, renewals, extensions, modifications, substitutions, continuations-in-part, or reissues of any of the foregoing; (c) all income, royalties, profits, damages, awards, and payments relating to or payable under any of the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; (e) all other rights and benefits relating to any of the foregoing throughout the world; and (f) all goodwill associated with any of the foregoing; in each case, whether now owned or hereafter acquired by Company. "Patent Licenses" means

any written agreement now or hereafter in existence granting to Company any right to use any invention on which a Patent is in existence. "Trademark" means all of the following: (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith including registrations, recordings, and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof, or any other country or any political subdivision thereof; (b) all reissues extensions, and renewals thereof; (c) all income, royalties, damages and payments now or hereafter relating to or payable under any of the foregoing including damages and payments for past or future infringements of any of the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; (e) all rights corresponding to any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing; in each case, whether now owned or hereafter acquired by Company. "Trademark License" means any written agreement now or hereafter in existence granting to Company any right to use any Trademark.

Section 2. SECURITY FOR OBLIGATIONS. This Agreement secures the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of all obligations and liabilities (including, without limitation, the principal of and interest on the Notes issued by, and the loans evidenced by the Notes made to, Company, and all fees and interest thereon or owed thereunder) of Company to the Secured Parties, whether now existing or hereafter incurred under, arising out of or in connection with the Notes, or any other document related thereto to which Company is a party and the due performance and compliance by Company with all of the terms, conditions and agreements contained in the Notes (all such principal, interest, fees, obligations and liabilities being herein collectively called the "Secured Obligations"). Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the Secured Obligations that would be owed by Company to the Secured Parties under the Notes and any other document related thereto but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving Company.

Section 3. COMPANY REMAINS LIABLE. Anything herein to the contrary notwithstanding, (a) Company shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Agent of any of the rights hereunder shall not release Company from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) Agent shall not have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement or the Notes, nor shall Agent be obligated to perform any of the obligations or duties of Company thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 4. COLLATERAL.

(a) Delivery of Account Collateral. All certificates or instruments representing or

instrument similar in effect covering or purporting to cover all or any part of the

Collateral is on file in any recording office, except such as may have been filed in favor of Agent relating to this Agreement.

(c) Set forth on Schedule III hereto is a complete and accurate list as of the date hereof of all names under which Company is doing business, including, without limitation, trade names, division names and fictitious names.

(d) Company has exclusive possession and control of the Equipment and the Inventory which it owns.

(e) The Assigned Agreements have been duly authorized, executed and delivered by all parties thereto, have not been amended or otherwise modified, are in full force and effect and are binding upon and enforceable against Company in accordance with their terms. There exists no default under any Assigned Agreement by any party thereto actually known to the Company.

(f) This Agreement creates valid security interests in favor of Agent in the Collateral, and the filing of the Financing Statements with respect to the Collateral in the appropriate filing offices required by the Georgia UCC and the taking of possession by Agent of all instruments and cash, if any, constituting Collateral from time to time will perfect and establish the priority of such security interests, securing payment of the loans evidenced by the Notes. Upon such filing or possession, as the case may be, all filing, possession, and other actions necessary or desirable to perfect such security interests will have been duly taken.

(g) No consent of any other person or entity and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or other third party is required (i) for the grant by Company of the assignment and security interest granted hereunder or for the execution, delivery or performance of this Agreement by Company, (ii) for the perfection or maintenance of the pledge, assignment and security interest created hereunder (including the first priority nature of such pledge, assignment or security interest), except for the filing of Financing and/or Continuation Statements under the Georgia UCC, which Financing Statements have been duly filed and are effective, under applicable law, to perfect the security interest granted to Agent herein, or (iii) for the exercise by Agent of the rights provided for in this Agreement or the remedies in respect of the Collateral pursuant to this Agreement, except (i) as may be expressly required by the Georgia UCC and (ii) as may be required under the terms of any Assigned Agreements, which consents the Company will use its good faith efforts to obtain following execution of this Agreement.

(h) This Agreement is made with full recourse to Company (including, without limitation, with full recourse to all assets of Company) and pursuant to and upon all warranties, representations, covenants and agreements on the part of Company contained herein, in the Notes and otherwise in writing in connection herewith or therewith.



Section 6. FURTHER ASSURANCES. Company agrees that from time to time, at its own expense, it shall promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Agent may reasonably request, in order to perfect and protect any pledge, assignment or security interest granted or purported to be granted hereby or to enable Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, Company will: (i) if any Collateral shall be evidenced by a promissory note or other instrument or Chattel Paper, deliver and pledge to Agent hereunder such note or instrument duly indorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Agent (provided that the Company may deposit in a deposit account registered in its name any checks or similar instruments received in the ordinary course of business in lieu of delivery to Agent); and (ii) execute and file such Financing or Continuation Statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as Agent may reasonably request, in order to perfect and preserve the pledge, assignment and security interest granted or purported to be granted hereunder. Company hereby authorizes Agent to file one or more Financing or Continuation Statements, and amendments thereto, relating to all or any part of the Collateral without the signature of Company where permitted by law. A photocopy or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a Financing Statement where permitted by law.

Section 7. AS TO EQUIPMENT AND INVENTORY.

(a) Company shall keep the Equipment and the Inventory at the places therefor specified in Section 5(a) or, upon prior written notice to Agent, at such other places in a jurisdiction where all action required by Section 6 shall have been taken with respect to such Equipment and the Inventory.

(b) Company shall cause the Equipment owned by it to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear excepted, and in accordance with any manufacturer's manual where applicable, and shall forthwith, or in the case of any loss or damage to any of such Equipment as quickly as practicable after the occurrence thereof, make or cause to be made all repairs, replacements and other improvements in connection therewith that are necessary or desirable to such end. Company shall promptly furnish to Agent a statement respecting any material loss or damage to any of the Equipment owned by it.

(c) Company shall pay promptly when due all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (including, without limitation, claims for labor, materials and supplies) against, the Equipment and Inventory owned by it, except those being contested diligently in good faith.

Section 8. INSURANCE. Company shall, at its own expense, maintain insurance with respect to the Equipment and the Inventory in such form and with responsible and reputable insurance companies or associations in such amounts and covering such risks as are currently maintained by Company which shall be reasonably satisfactory to Agent from time to time.

Section 9. PLACE OF PERFECTION; RECORDS; COLLECTION OF RECEIVABLES. Company shall keep its chief place of business and chief executive office and the office where it keeps its records concerning the Collateral owned by it or, upon prior written notice to Agent, at such other location in a jurisdiction where all actions required by Section 6 shall have been taken with respect to the Collateral.

Section 10. AS TO THE ASSIGNED AGREEMENTS.

(a) Company shall, at its own expense:

(i) perform and observe all the terms and provisions of the Assigned Agreements to be performed or observed by it, maintain the Assigned Agreements in full force and effect in accordance with their terms, enforce the Assigned Agreements in accordance with their terms and take all such action to such end as may be from time to time requested by Agent; and

(ii) furnish to Agent promptly upon receipt thereof copies of all notices, requests and other documents received by Company under or pursuant to the Assigned Agreements, and from time to time (A) furnish to Agent such information and reports regarding the Collateral as Agent may request and (B) upon request of Agent make to each other party to any Assigned Agreement such demands and requests for information and reports or for action as Company is entitled to make thereunder.

(b) Company agrees not: (i) to cancel or terminate any Assigned Agreement or consent to or accept any cancellation or termination thereof other than in the ordinary course of business consistent with past practices; (ii) to amend or otherwise modify any Assigned Agreement or give any consent, waiver or approval thereunder other than in the ordinary course of business consistent with past practices; (iii) to waive any default under or breach of any Assigned Agreement other than in the ordinary course of business consistent with past practices; or (iv) to take any other action in connection with any Assigned Agreement that would impair the value of the interest or rights of Company thereunder or that would impair the interest or rights of Agent.

Section 11. AGENT APPOINTED ATTORNEY-IN-FACT. Company irrevocably appoints Agent, effective upon the occurrence and during the continuation of any Event of Default, Company's attorney-in-fact, with full authority in the place and stead of Company and in the name of Company or otherwise, from time to time in the Agent's discretion and upon notice to Company, to take any action and to execute any instrument that Agent may deem necessary or advisable to accomplish the purposes of this Agreement.

Section 12. SECURED PARTY MAY PERFORM. If any Company fails to perform any agreement contained herein, Agent may itself perform, or cause performance of, such agreement, and the expenses of Agent incurred in connection therewith shall be payable by Company under Section 14(b).

Section 13. REMEDIES. If any Event of Default shall have occurred and be continuing:

(a) Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it under the Notes or by law, all the rights and remedies of a debtor upon default under the Georgia UCC (whether or not the Georgia UCC applies to the affected Collateral) and also may (i) require Company to, and Company hereby agrees that it will at its expense and upon request of Agent forthwith, assemble all or part of the Collateral owned by it as directed by Agent and make it available to Agent at a place and time to be designated by Agent and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Agent may deem commercially reasonable. Company agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to Company of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All cash proceeds received by Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied (after payment of any amounts payable to Agent pursuant to Section 14) as Agent (following agreement with the Secured Parties) shall elect. It is understood that Company shall remain liable to the extent of any deficiency between the amount of the proceeds of the Collateral and the aggregate amount of the Secured Obligations.

(c) Agent may exercise any and all rights and remedies of Company under or in respect of the Collateral.

(d) All payments received by Company under or in respect of the Collateral owned by it shall be received in trust for the benefit of Agent, shall be segregated from other funds of Company and shall be forthwith paid over to Agent in the same form as so received (with any necessary endorsement).

Section 14. EXPENSES. Company agrees to pay to Agent, upon demand, the amount of any and all reasonable costs and expenses, including, without limitation, the reasonable fees and expenses of its counsel and of any experts and agents, that Agent may incur in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of Agent hereunder or (iv) the failure by Company to perform or observe any of the provisions hereof.

Section 15. SECURITY INTEREST ABSOLUTE. A separate action or actions may be brought and prosecuted against Company to enforce this Agreement, independent of the

Secured Obligations. All rights of Agent and the pledge, assignment and security interest hereunder, and all obligations of Company hereunder, shall be absolute and unconditional, irrespective of any lack of validity or enforceability of the Notes or any other agreement or instrument relating thereto, any change, restructuring or termination of the corporate structure or existence of Company or any other circumstance that might otherwise constitute a defense available to, or a discharge of, Company.

Section 16. CONTINUING SECURITY INTEREST. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until the indefeasible and irrevocable payment or other satisfaction in full of the Secured Obligations, (b) be binding upon Company, its respective successors and assigns and (c) inure, together with the rights and remedies of Agent hereunder, to the benefit of its successors and assigns.

Section 17. RELEASE AND TERMINATION. Upon any sale, lease, transfer or other disposition of any item of Collateral in accordance with the terms of this Agreement, Agent will, at Company's expense, execute and deliver to Company such documents as Company shall reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted hereby; provided, however, that at the time of such request and such release no Event of Default shall have occurred and be continuing. Upon the indefeasible and irrevocable payment or other satisfaction in full of the Secured Obligations (including without limitation conversion of the Notes), the pledge, assignment and security interest granted hereby shall terminate and all rights to the Collateral shall revert to Company, and, except as otherwise provided herein, all of Company's obligations hereunder shall at such time terminate, and Agent shall execute promptly all necessary and appropriate documentation to release the security interests created by this Agreement.

Section 18. MISCELLANEOUS.

(a) Amendments and Waivers. No amendment, modification, termination, or waiver of any provision of this Agreement, nor consent to any departure by Company therefrom, shall in any event be effective unless the same shall be in writing and signed by Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Company in any case shall entitle Company to any other or further notice or demand in similar or other circumstances.

(b) Set-Off. The obligations to make the payments provided for in this Agreement are absolute and unconditional and not subject to any defense, set-off, counterclaim, rescission, recoupment or adjustment whatsoever. Company hereby expressly waives demand and presentment for payment, notice of non-payment, notice of dishonor, protest, notice of protest and diligence in taking any action to collect any amount called for hereunder, and shall be directly and primarily liable for the payment of all sums owing and to be owing hereon, regardless of and without any notice, diligence, act or omission with respect to the collection of any amount called for hereunder.

(c) Governing Law. To the extent permitted by applicable law, this Agreement shall be governed by and construed in accordance with the laws of the State of Georgia excluding the body of law relating to conflict of laws.

(d) Jurisdiction, etc. The Company and Agent (a) agree that any legal suit, action or proceeding arising out of or relating to this Note will be instituted exclusively in the courts of the State of Georgia, or any Federal court in such State, (b) waive any objection which the Company may have now or hereafter based upon forum non conveniens or to the venue of any such suit, action or proceeding, and (c) irrevocably consent to the jurisdiction of the State Courts located in said State in any such suit, action or proceeding. The Company and Agent further agree to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding in said courts in said State, and agree that service of process upon a party, mailed by certified mail to such party's address, will be deemed in every respect effective service of process upon such party, in any suit, action or proceeding. FURTHER, BOTH COMPANY AND AGENT HEREBY WAIVE TRIAL BY JURY IN ANY ACTION TO ENFORCE THIS NOTE.

(e) Interpretation. In the event that any one or more of the provisions contained in this Agreement shall be determined to be invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision or provisions in every other respect and the remaining provisions of this Agreement shall not be in any way impaired.

(f) Successors and Assigns. This Agreement may be assigned by Agent upon written consent of the Secured Parties. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by Company without the prior written consent of Agent. This Agreement shall be binding upon Company and its permitted successors and assigns and shall inure to the benefit of Agent and its successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person or entity other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein. Company will require any successor to Company or any permitted assignee thereof (each, a "Successor"), whether direct or indirect, by purchase, merger, consolidation, operation of law or otherwise, to expressly assume and agree to perform the obligations under this Agreement in the same manner and to the same extent that Company would be required to perform them if no such purchase, succession or assignment had taken place. Upon any such purchase, succession or assignment, the references in this Agreement to Company shall also apply to any Successor unless the context otherwise requires. No such purchase, succession, or assignment shall relieve Company of its obligations hereunder.

(g) Notices. All notices required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or three days after being sent by registered or certified mail, return receipt requested, postage prepaid, or one day after being sent by overnight courier, to the address of the intended

recipient set forth below or at such other address as the intended recipient shall have hereafter given to the other party hereto pursuant to the provisions hereof:

If to Agent:

The Investors Committee  
c/o Michael Slawson  
Alliance Technology Ventures  
8995 Westside Parkway  
Suite 200  
Alpharetta, Georgia 30004

with a copy to:

Morris, Manning & Martin  
1600 Atlanta Financial Center  
3343 Peachtree Road, N.E.  
Atlanta, Georgia 30326  
Attention: Grant W. Collingsworth, Esq.  
Fax: (404)365-9532

If to the Company:

R. F. Solutions, Inc.  
3145 Avalon Ridge Place NW  
Suite 200  
Norcross, Georgia 30071  
Attention: Michael Hooper

with a copy to:

McKenna, Long & Aldridge LLP  
Suite 5300  
303 Peachtree Street  
Atlanta, Georgia 30308  
Attention: Johnathan H. Short, Esq.

(h) Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(i) Saturdays, Sundays, Holidays. If any date that may at any time be specified in this Agreement as a date for the making of any payment of principal or interest under this Agreement shall fall on Saturday, Sunday or on a day which in Georgia shall be a legal holiday, then the date for the making of that payment shall be the next subsequent day which is not a Saturday, Sunday or legal holiday.

(j) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

Section 19. Agent.

(a) Appointment of Agent. Each Secured Party has appointed the Investors Committee to serve as the agent under this Agreement and in such capacity to administer this Agreement. Any reference herein to "Agent" shall be deemed to refer to such Person in its capacity as Agent for the Secured Parties hereunder. Agent hereby accepts its appointment as Agent under this Agreement, but only on the terms set forth in this Agreement, including the following:

(i) Agent makes no representation as to the value, validity or enforceability of this Agreement or as to the correctness of any statement contained in this Agreement;

(ii) Agent may exercise its powers and perform its duties under this Agreement either directly or through its agents or attorneys; and

(iii) A decision, act, consent or instruction of two-thirds of the members of the Investors Committee shall constitute a decision of the Agent and shall be final, binding and conclusive.

(b) Counsel to Agent. Agent shall be entitled to obtain from counsel selected by it with reasonable care advice with respect to legal matters pertaining to his Agreement and shall not be liable for any action taken, omitted to be taken or suffered in good faith in accordance with the advice of such counsel;

(i) Agent shall not be required to use its own funds in the performance of any of its duties or in the exercise of any of its rights or powers, and Agent shall not be obligated to take any action which, in its reasonable judgment, would involve in it any expense or liability unless it shall have been furnished security or indemnity in an amount and in form and substance satisfactory to it; and

(ii) Agent, in performing its duties and functions under this Agreement for the benefit of Secured Parties, will exercise the same care which it normally exercises in making and handling loans in which it alone is interested, but does not assume further responsibility.

(c) Application of Moneys. All moneys realized by Agent hereunder shall be held by Agent in trust for the Secured Parties pro rata, in accordance with the loans made by such Secured Parties.

(d) Reliance by Agent. Agent shall be entitled to rely on any notice, consent, certificate, affidavit, letter, telegram, telecopy, facsimile or teletype message, statement, order, instrument or other document believed by it to be genuine and correct and to have

been signed or sent by the proper person or persons. Agent shall deem and treat the payee of any Note as the absolute owner thereof for all purposes hereof until such time as it receives actual notice of an assignment permitted hereunder of such payee's interest, together with the written agreement of the assignee in form and substance satisfactory to Agent that such assignee is bound by this Agreement as a "Secured Party" hereunder.

(e) Exculpatory Provisions. Neither Agent nor any of its shareholders, directors, officers, employees or agents shall be liable in any manner to any Secured Party for any action taken, omitted to be taken or suffered in good faith by it or them hereunder or in connection herewith, or be responsible for the consequences of any oversight or error of judgment, except for losses due to gross negligence or willful misconduct of Agent or such shareholder, director, officer, employee or agent.

(f) Indemnification. Each Secured Party agrees to indemnify Agent (to the extent Agent is not promptly reimbursed by Company), in accordance with such Secured Party's pro rata share of loans evidenced by the Notes, from and against any and all liabilities, obligations, losses, damages, penalties, interests, actions, judgments and suits of any kind or nature whatsoever which may be imposed on, incurred by or asserted against Agent relating to or arising out of this Agreement or relating to any action taken or omitted by such Agent under this Agreement, provided that no Secured Party shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, interest, actions, judgments or suits resulting from Agent's own gross negligence or willful misconduct.

(g) Reimbursement of Agent. Each Secured Party further agrees to reimburse agent, in accordance with such Secured Party's pro rata share of the loans evidenced by the Notes, for any reasonable out-of-pocket costs or expenses incurred by Agent in connection with its duties under this Agreement (including, but not limited to, reasonable fees and disbursements of counsel), but only to the extent such fees, disbursements, expenses and compensation have not been promptly reimbursed to Agent by Company.

(h) Enforcement. This Agreement may be enforced only by the action of Agent and no Secured Party shall have any right individually to seek to enforce this Agreement, it being understood and agreed that such rights and remedies may be exercised by Agent, for the benefit of Secured Parties, upon the terms of this Agreement. As between Company and Agent, Agent shall be conclusively presumed to be acting as agent for Lenders with full and valid authority so to act or refrain from acting.



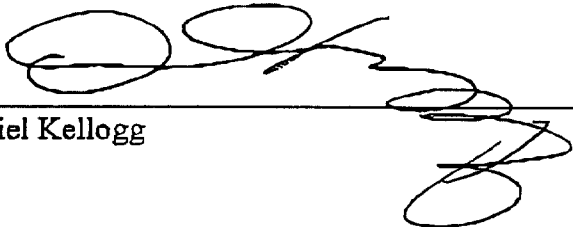


IN WITNESS WHEREOF, Company has caused this Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

R. F. SOLUTIONS, INC.

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

ACKNOWLEDGED AND AGREED BY AGENT AND THE SECURED PARTIES:

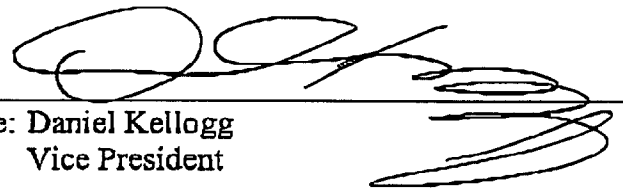
  
\_\_\_\_\_  
Daniel Kellogg

\_\_\_\_\_  
Michael Slawson

\_\_\_\_\_  
I. Sigmund Mosley

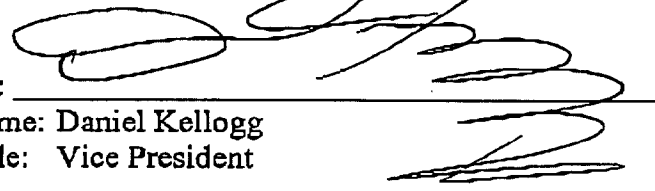
CRYSTAL INTERNET VENTURE FUND II (BVI), L.P.

By: Crystal Venture II, Ltd., its General Partner

By:   
Name: Daniel Kellogg  
Title: Vice President

CRYSTAL INTERNET VENTURE FUND II (BVI),  
CRYSTAL VISION, L.P.

By: Crystal Venture II, Ltd., its General Partner

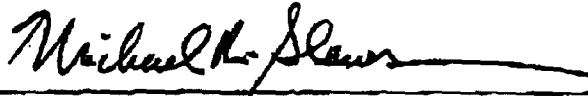
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Name: Daniel Kellogg  
Title: Vice President

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Title: \_\_\_\_\_

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\_\_\_\_\_  
Daniel Kellogg  
  
\_\_\_\_\_  
Michael Slawson

\_\_\_\_\_  
I. Sigmund Mosley

CRYSTAL INTERNET VENTURE FUND II (BVI), L.P.

By: Crystal Venture II, Ltd., its General Partner

By: \_\_\_\_\_  
Name: Daniel Kellogg  
Title: Vice President

CRYSTAL INTERNET VENTURE FUND II (BVI),  
CRYSTAL VISION, L.P.

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By: \_\_\_\_\_  
Name: Daniel Kellogg  
Title: Vice President

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ACKNOWLEDGED AND AGREED BY AGENT AND THE SECURED PARTIES:

\_\_\_\_\_  
Daniel Kellogg

\_\_\_\_\_  
Michael Slawson

  
\_\_\_\_\_  
I. Sigmund Mosley

CRYSTAL INTERNET VENTURE FUND II (BVI), L.P.

By: Crystal Venture II, Ltd., its General Partner

By: \_\_\_\_\_  
Name: Daniel Kellogg  
Title: Vice President

CRYSTAL INTERNET VENTURE FUND II (BVI),  
CRYSTAL VISION, L.P.

By: Crystal Venture II, Ltd., its General Partner

By: \_\_\_\_\_  
Name: Daniel Kellogg  
Title: Vice President

ALLIANCE TECHNOLOGY VENTURES III, L.P.

By: *ATV III PARTNERS LLC, its GEN'L PARTNER*

By: *Michael R. Lawson*  
Name: *MICHAEL R. LAWSON*  
Title: *MANAGER*

INTELLIGENT SYSTEMS CORPORATION

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

YAMACRAW RFS, LLC

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

DRW VENTURE PARTNERS LP

By: *Dain Rauscher Corporation, its General Partner*

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

ALLIANCE TECHNOLOGY VENTURES III, L.P.

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

INTELLIGENT SYSTEMS CORPORATION

By: Bonnie Heron  
Name: Bonnie Heron  
Title: VP CFO

YAMACRAW RFS, LLC

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

DRW VENTURE PARTNERS LP

By: Dain Rauscher Corporation, its General Partner

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

ALLIANCE TECHNOLOGY VENTURES III, L.P.

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

INTELLIGENT SYSTEMS CORPORATION

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

YAMACRAW RFS, LLC

By: *[Signature]*  
Name: \_\_\_\_\_  
Title: *Manager*

DRW VENTURE PARTNERS LP

By: Dain Rauscher Corporation, its General Partner

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

ALLIANCE TECHNOLOGY VENTURES III, L.P.

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

INTELLIGENT SYSTEMS CORPORATION

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

YAMACRAW RFS, LLC

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

DRW VENTURE PARTNERS LP

*RBC Dain Rauscher Corporation*  
By: ~~Dain Rauscher Corporation~~, its General Partner

By: *Mary Zimmer*  
Its: *Director of Finance and Administration,*  
*RBC Capital Markets Services*




ATA VENTURE I LLC

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

ATA VENTURE III, LLC

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

ENCINA TECHNOLOGY VENTURES, LLC

By:   
Name: WILLIAM J. TODD  
Title: PRESIDENT & CEO

\_\_\_\_\_  
John P. Imlay, Jr.

ATA VENTURE 1 LLC

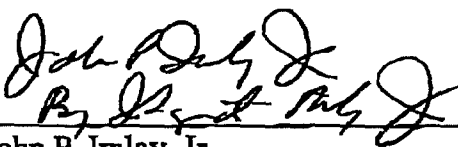
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATA VENTURE III, LLC

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

ENCINA TECHNOLOGY VENTURES, LLC

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

  
\_\_\_\_\_  
John P. Imlay, Jr.

## Schedule II – Detail of Purchase Money Security Interests

### Purchase Money Security Interests

1. Agilent Lease 1 – \$ 73,364 through September 2003 – Test Equipment
2. Agilent Lease 2 – \$ 49,750 through March 2004 – Test Equipment
3. Agilent Lease 3 – \$ 39,850 through March 2004 – Test Equipment
4. Agilent Lease 3a – \$ 3,100 through June 2004 – Test Equipment
5. Agilent Lease 4a – \$ 36,570 through December 2004 – Test Equipment
6. Agilent Lease 4b – \$ 35,775 through March 2005 – Test Equipment
7. Agilent Lease 4c – \$ 30,409 through March 2005 – Test Equipment
8. Telogy Lease 1 – \$87,713 through March 2003 – Test Equipment
9. Telogy Lease 2 – \$ 41,185 through March 2003 – Test Equipment
10. Telogy Lease 3 – \$ 24,311 through March 2003 – Test Equipment
11. Telogy Lease 4 – \$ 24,311 through March 2003 – Test Equipment
12. Telogy Lease 5 – \$ 72,847 through December 2004 – Test Equipment
13. Phoenix Leasing Lease 1 – \$ 24,380 through December 2003 – Office Furniture
14. Phoenix Leasing Lease 2 – \$ 19,260 through February 2003 – Office Furniture