

01-24-2003

1-3403



102347047

To the Honorable Commissioner of

original documents or copy thereof.

1. Name of conveying party(ies):

ARCOT SYSTEMS, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: CALIFORNIA

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: December 31, 2002

Name and address of receiving party(ies):

Name: MEVC DRAPER FISHER JURVETSON FUND I, INC.  
Address: 3000 SAND HILL ROAD, BLDG 1, SUITE 155  
City: MENLO PARK State: CA Zip: 94025

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: DELAWARE

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

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

A. Trademark Application No.(s)

76/083,678

76/081,641

B. Trademark Registration No.(s)

2,552,343

2,504,322

2,457,370

Additional numbers attached?  Yes  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, California 92121-2133

6 Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41) . . . . . \$140.00

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

January 23, 2003  
Date

Total number of pages comprising cover sheet: [ 6 ]

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

01/24/2003 TDIAZ1 00000159 76083678

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

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of December 31, 2002 by and between MEVC DRAPER FISHER JURVETSON FUND I, INC. ("Lender") and ARCOT SYSTEMS, INC., a California corporation ("Borrower"), with reference to the following facts:

RECITALS

Lender and Borrower are parties to that certain Loan and Security Agreement of even date (as amended from time to time, the "Loan Agreement"). Capitalized terms used herein have the meaning assigned in the Loan Agreement.

NOW, THEREFORE, Borrower agrees as follows:

AGREEMENT


To secure performance of its "Obligations" as defined in the Loan Agreement, Borrower grants to Lender a security interest in all of Borrower's right, title and interest in Borrower's intellectual property (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits). Borrower represents and warrants that (i) listed on Schedule A hereto are all trademark registrations and pending registrations owned or controlled by Borrower or licensed to Borrower, (ii) listed on Schedule B are all patents and patent applications owned or controlled by Borrower or licensed to Borrower, and (iii) listed on Schedule C are all of Borrower's material works of authorship subject to United States copyright protection (other than off-the-shelf software licensed to Borrower on a non-exclusive basis), including, without limitation, those for which the sale, licensing or other disposition results in royalties receivable, license fees receivable, accounts receivable or other sums owing to Borrower.

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

Address of Borrower:

ARCOT SYSTEMS, INC.

3200 Patrick Henry Drive, Suite 200  
Santa Clara, CA 95054

By   
Title PRESIDENT, CEO

Attn: \_\_\_\_\_

Address of Lender:

MEVC DRAPER FISHER JURVETSON FUND I, INC.

3000 Sand Hill Road, Bldg 1 Suite 155  
Menlo Park, CA 94025

By \_\_\_\_\_  
Title \_\_\_\_\_

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3200 Patrick Henry Drive, Suite 200  
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By \_\_\_\_\_

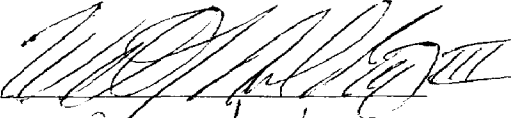
Title \_\_\_\_\_

Attn: \_\_\_\_\_

Address of Lender:

MEVC DRAPER FISHER JURVETSON FUND I, INC.

3000 Sand Hill Road, Bldg 1 Suite 155  
Menlo Park, CA 94025

By 

Title President

SCHEDULE A

Trademarks

<u>Description</u>	<u>Serial/Registration Number</u>	<u>Application/Registration Date</u>
Webfort	2,552,343	03/26/02
Arcot	2,504,322	11/06/01
Arcot Digital Identity	76/083,678	07/05/00
Arcotid	76/081,641	06/30/00
Arcot Webfort	2,457,370	06/05/01

SCHEDULE B

Patents

<u>Description</u>	<u>Serial/Application Number</u>	<u>Application/Issue Date</u>
Techniques for searching encrypted files	10/096,086	03/11/02
Efficient computational techniques for authorization control	10/094,509	03/08/02
Method and apparatus for cryptographic key storage wherein key servers are authenticated by possession and secured distribution of stored keys	10/093,881	03/08/02
Method and apparatus for secure distribution of authentication credentials to roaming users	09/843,583	04/26/01
Method and apparatus for secure distribution of authentication credentials to roaming users	6,263,446	07/17/01
Computer-readable medium having a private key encryption program	09/750,511	12/27/00
Method and apparatus for secure entry of access codes in a computer environment	6,209,102	03/27/01
Method and apparatus for cryptographically camouflaged cryptographic key storage, certification and use	6,170,058	01/02/01
Method and systems for a secured authenticated payment on a computer network	09/437,065	11/09/99
Method and apparatus for secured cryptographic key generation, certification and use	09/874,795	06/05/01
Method and apparatus for camouflaging of data, information and functional transformations	10/015,902	10/30/01
Non-textual representation of access activities regarding a resource	60/386,051	06/05/02
Efficient searching techniques	10/006,179	12/04/01
Method and apparatus for pre-authentication of users one-time passwords	09/896,560	06/28/01
Apparatus for pre-authentication of users one-time passwords	09/896,163	06/28/01
Efficient techniques for sharing a secret	09/853,913	05/11/01
One-time credit card number generator and single round-trip authentication	10/003,847	10/31/01

SCHEDULE C

Copyrights

Title  
None

Registration Number

Registration Date