

08-15-2003



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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)

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

Tab settings

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

1. Name of conveying party(ies):

Troika Networks, Inc.

8-12-03

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

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

3. Nature of conveyance:

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

Execution Date: 08/11/2003

2. Name and address of receiving party(ies)

Name: Windward Ventures, L.P.

Internal

Address:

Street Address: 12680 High Bluff Drive, #200

City: San Diego State: CA Zip: 92130

- Individual(s) citizenship Association General Partnership Limited Partnership California 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

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

A. Trademark Application No.(s) 76/445,534

76445534

B. Trademark Registration No.(s) 2,659,994

Additional number(s) attached Yes No

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

Name: Ben Chung, Esq.

Internal Address: Squire, Sanders & Dempsey LLP

Street Address: 801 South Figueroa Street,

14th Floor

City: Los Angeles State: CA Zip: 90017

6. Total number of applications and registrations involved:

2

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

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

2003 AUG 12 PM 9:03 OPR/FINANCE

DO NOT USE THIS SPACE

9. Signature.

Ben Chung

Name of Person Signing

Signature

August 11, 2003

Date

Total number of pages including cover sheet, attachments, and document: 46

08/14/2003 LUELLER 00000093 76445534

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

01 FC:8521 02 FC:8522

40.00 OP 25.00 OP

TRADEMARK REEL: 002802 FRAME: 0164

## TERMINATION OF SECURITY AGREEMENT

THIS AGREEMENT (this "Agreement"), is dated as of August 11, 2003, by and between TROIKA NETWORKS, INC., a California corporation (the "Company") and WINDWARD VENTURES, L.P. ("Windward"), individually and in its capacity as collateral agent (in such capacity, the "Collateral Agent") on behalf of the persons and entities named on the Schedule of Secured Parties (each a "Secured Party," and collectively, the "Secured Parties"), attached as Schedule A to that certain Security Agreement (the "Security Agreement"), dated March 3, 2003, in favor of Windward, individually and as Collateral Agent.

### W I T N E S S E T H

A. WHEREAS, the Company is a party to that certain Convertible Loan Agreement (the "Loan Agreement"), dated March 4, 2003, by and among the Company and each of the Secured Parties, wherein the Company has issued secured convertible promissory notes dated as of the Initial Closing (as defined in the Loan Agreement) or the Additional Closing (as defined in the Loan Agreement) to the Secured Parties in the original aggregate principal amount of up to \$3,000,000 (the "Notes," and, together with this Security Agreement, the "Transaction Documents").

B. WHEREAS, in order to secure the Company's prompt payment on the Notes, and to secure performance of all of the Company's obligations under the Transaction Documents (collectively, the "Obligations"), the Company agreed to execute and deliver the Security Agreement.

C. WHEREAS, Article 9.6 of the Security Agreement provides:

Termination. This Security Agreement and the security interest granted hereby shall terminate after and only after all the Obligations have been paid in full or have been converted into the Company's Series D Preferred Stock, 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.

D. WHEREAS, the Obligations have been converted into the Company's Series D Preferred Stock pursuant to that certain Series D Preferred Stock Purchase Agreement entered into as of May 16, 2003, by and among the Company and various parties, identified therein.

E. WHEREAS, the Company and Windward, individual and as Collateral Agent, now desire to terminate the Security Agreement and release the Collateral (as defined in the Security Agreement) in accordance with Article 9.6 of the 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. Termination of Security Agreement. The Company and Windward, individually and as Collateral Agent, hereby agree and acknowledge that the Security Agreement has been terminated in its entirety, and all rights granted to the Secured Parties to the Collateral thereunder have been terminated.

2. Appointment of Company as Attorney-in Fact. Windward, as Collateral Agent, hereby authorizes the Company, or its agents or attorneys, to take any and all necessary steps or actions to release the Collateral and otherwise effect the parties' intentions as set forth herein, including the filing of UCC termination statements and similar documents prepared by the Company, and hereby appoints the Company as its true and lawful attorney-in-fact to take such actions.

3. 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

4. Counterparts. This 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.

[SIGNATURE PAGE FOLLOWS]

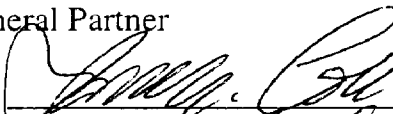
IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the date first set forth above.

Troika Networks, Inc.,  
a California corporation

By:   
Name: William Terrell  
Title: President and CEO

Windward Ventures, L.P.,  
as the Collateral Agent and a Secured Party

By: Windward Ventures Management, LP,  
Its General Partner

By:   
Name: James H. Cole  
Title: General Partner

## SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Security Agreement"), is dated as of March 4, 2003, among TROIKA NETWORKS, INC., a California corporation (the "Company"), in favor of WINDWARD VENTURES, L.P. ("Windward"), individually and in its capacity as collateral agent (in such capacity, the "Collateral Agent") on behalf of the persons and entities named on the Schedule of Secured Parties attached hereto as Schedule A (each a "Secured Party," and collectively, the "Secured Parties").

### WITNESETH

A. WHEREAS, the Company is a party to that certain Convertible Loan Agreement (the "Loan Agreement"), dated March 4, 2003, by and among the Company and each of the Secured Parties, wherein the Company has issued secured convertible promissory notes dated as of the Initial Closing (as defined in the Loan Agreement) or the Additional Closing (as defined in the Loan Agreement) to the Secured Parties in the original aggregate principal amount of up to \$3,000,000 (the "Notes," and, together with this Security Agreement, the "Transaction Documents").

B. WHEREAS, in order to secure the Company's prompt payment on the Notes, and to secure performance of all of the Company's obligations under the Transaction Documents (collectively, the "Obligations"), 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:

### AGREEMENT

1. Defined Terms. 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 Intellectual Property;
- (f) all Instruments;
- (g) all Goods (including Inventory, Equipment and Fixtures);
- (h) all Investment Property;
- (i) all Deposit Accounts of the Company including all deposits therein and investments made with the funds therein;
- (j) all Supporting Obligations;
- (k) all Letter of Credit Rights;
- (l) all money, cash or cash equivalents of the Company; and
- (m) 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.

Anything contained in this Security Agreement to the contrary notwithstanding, the term "Collateral" shall not include any Equipment or General Intangibles that is now or hereafter held by the Company as lessee, licensee, or debtor under purchase money secured financing, in the event that: (a) as a result of the grant of a security interest therein, the Company's rights in or with respect to such asset would be forfeited or the Company would be deemed to have breached or defaulted under the applicable lease, license, or other agreement that governs such asset pursuant to restrictions contained in the applicable lease, license or other agreement; and (b) any such restriction is effective and enforceable under applicable law; provided, however, that the term "Collateral" shall include, at any time that the restrictions in the lease, license, or other agreement are no longer effective and enforceable (including as a result of the exercise of an option to purchase or the repayment of the secured financing) or at any time that the applicable lessor, licensor or other applicable party's consent is obtained to the grant of a security interest in and to such asset in favor of Collateral Agent, (1) any and all proceeds of such assets, and (2) such assets.

1.2 "Copyrights" means any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a Trade Secret, now or hereafter existing, created, acquired or held.

1.3 "Intellectual Property" means all of the Company's right, title, and interest in and to the following:

- (a) Copyrights, Trademarks and Patents;

(b) Any and all Trade Secrets, inventions, mask works, programs, works of authorship, know-how, discoveries, developments, designs, design rights and techniques and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all claims for damages by way of past, present and future infringement of any of the rights included in (a) or (b) above, with the right, but not the obligation, to sue for and collect such damages for such use or for infringement of such rights;

(d) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(e) All amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents;

(f) All documents, models, samples, specimens, reports, drawings, research materials, notes and other materials in connection with or which in any way embody or relate to any Patent or patentable matter and the right to pursue, prepare, file and prosecute any Patent application(s) in connection therewith; and

(g) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

1.4 "Lien" means any lien, security interest, pledge, assignment, encumbrance or other interest in property.

1.5 "Patents" means all patents, patent applications, all types of exclusionary or protective rights granted (or applications therefor) or inventions and like protections (including without limitation improvements, divisions, patents-of-addition, continuations, renewals, reissues, extensions and continuations-in-part of the same) and any and all patentable subject matter (including, without limitation, methods of doing business, machines, articles of manufacture, processes, compositions of matter and new uses or improvements of any of the foregoing).

1.6 "Permitted Dispositions" means any disposition of Collateral that does not result, in a single transaction or a series of related transaction, in the disposition or sale of all or substantially all of the assets of the Company.

1.7 "Permitted Liens" means (a) Liens held by Collateral Agent for the benefit of Collateral Agent and the Secured Parties, (b) Liens for unpaid taxes that either (i) are not yet delinquent, or (ii) do not constitute an Event of Default hereunder and are the subject of Permitted Protests, (c) Liens set forth on Schedule B, (d) the interests of lessors or sublessors under operating leases, (e) purchase money Liens or the interests of lessors under capital leases so long as such Lien attaches only to the asset purchased or acquired and the proceeds thereof, (f) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, or suppliers, incurred in the ordinary course of the Company's business

and not in connection with the borrowing of money, and which Liens either (i) are for sums not yet delinquent, or (ii) are the subject of Permitted Protests, (g) Liens arising from deposits made in connection with obtaining worker's compensation or other unemployment insurance, (h) Liens or deposits to secure performance of bids, tenders, or leases incurred in the ordinary course of business and not in connection with the borrowing of money, (i) Liens granted as security for surety or appeal bonds in connection with obtaining such bonds in the ordinary course of business, (j) Liens resulting from any judgment or award that is not an Event of Default hereunder, (k) any interest or title of a licensee or licensor under any license agreement permitted by this Security Agreement, (l) Liens in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off) held by such banking institution incurred in the ordinary course of business and which are within the general parameters customary in the banking industry, (m) deposits made in the ordinary course of business to secure liabilities for premiums to insurance carriers, (n) Liens on patents, trademarks, trade names, service marks, copyrights, trade secrets or other intellectual property to the extent such Liens arise solely from the granting of licenses composing Permitted Dispositions thereto or from any Person in the ordinary course of business consistent with past practice and (o) any Lien in respect of Senior Indebtedness.

1.8 "Permitted Protest" means the right to protest any Lien (other than any such Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject of a United States federal tax lien), or rental payment, provided that (a) any such protest is instituted promptly and prosecuted diligently by the applicable Person in good faith, and (b) while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of the Collateral Agent's Liens.

1.9 "Person" means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

1.10 "Senior Indebtedness" means the indebtedness, liabilities and other obligations of the Company to Silicon Valley Bank ("SVB") , whether created under, arising out of or in connection with that certain Loan and Security Agreement, dated September 5, 2002 (the "SVB Loan Agreement"), by and between the Company and SVB, including all unpaid principal of any loans, all unpaid drawings under any letters of credit, all interest accrued thereon, all fees due under the SVB Loan Agreement and all other amounts payable by the Company to SVB thereunder or in connection therewith, whether now existing or hereafter arising, and whether due or to become due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and including interest that accrues after the commencement by or against the Company of any bankruptcy or insolvency proceeding naming such Person as the debtor in such proceeding.

1.11 "Trademarks" means trademarks, service marks, trade names, designs, logos, slogans, and general intangibles of like nature, together with all goodwill, registrations and applications related to any of the foregoing.



1.12 "Trade Secrets" means trade secrets and other proprietary or confidential information, know-how, technology, processes, formulae, algorithms, models and methodologies in any format and whether tangible or not.

2. Security Interest and Subordination.

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 make the loans and continue extensions of credit provided for therein in accordance with the terms thereof, the Company hereby grants, conveys, mortgages, pledges, hypothecates and transfers to the Collateral Agent, for the benefit of the Secured Parties, a 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 rights 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.

2.3 Subordination. All Liens now or hereafter existing of the Secured Parties in any Collateral shall be subject, subordinate and junior in all respects and at all times to the Liens now or hereafter existing of the Senior Indebtedness, regardless of the time or order of attachment or perfection of any of such Liens, the time or order of filing of financing statements, the acquisition of purchase money or other Liens, the time of giving or failure to give notice of the acquisition or expected acquisition of purchase money or other Liens, or any other circumstances whatsoever.

2.4 Set-Off Rights. The Company hereby grants to the Collateral Agent and the Secured Parties a right of set-off against the property of the Company held by the Collateral Agent or any Secured Party, consisting of property described above in Section 2.1 now or hereafter in the possession or custody of or in transit to or from the Collateral Agent or any Secured Party, for any purpose, including safekeeping, collection or pledge, for the account of the Company, or as to which the Company may have any right or power.

2.5 Limitation on Obligations. It is expressly agreed by the Company that, anything herein to the contrary notwithstanding, the Company shall remain liable under each of its agreements that are included in the Collateral to observe and perform all the conditions and obligations to be observed and performed by it thereunder and the Company shall comply and perform with or pursuant to the terms and provisions of each such agreement. Neither the Collateral Agent nor the Secured Parties shall have any obligation or liability under any

agreement included in the Collateral by reason of or arising out of any Transaction Document, or the granting of the security interest herein or the receipt by the Collateral Agent or any Secured Party of any payment relating to any agreement included in the Collateral pursuant hereto, nor shall the Collateral Agent or any Secured Party be required or obligated in any manner to perform or fulfill any of the obligations of the Company under or pursuant to any agreement included in the Collateral, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any agreement included in the Collateral, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

2.6 Filing Authorization. The Company authorizes the Collateral Agent to file financing statements and other filing or recording documents with respect to the Collateral (including any amendments thereto, or continuation or termination statements thereof), without the signature or other additional authorization of the Company, in such form and in such offices as the Collateral Agent reasonably determines appropriate to perfect or maintain the perfection of the security interest of the Collateral Agent and the Secured Parties hereunder. The Company acknowledges and agrees that it is not authorized to, and will not, file financing statements or other filing or recording documents with respect to the Collateral (including any amendments thereto, or continuation or termination statements thereof), without the express prior written approval by the Collateral Agent, consenting to the form and substance of such filing or recording document. The Company approves, authorizes and ratifies any filings or recordings made by or on behalf of the Collateral Agent in connection with the perfection of the security interest in favor of the Collateral Agent and/or the Secured Parties. The Company agrees that upon request of the Collateral Agent, the Company will promptly execute all such documents as may be reasonably necessary or appropriate to effect the foregoing.

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

3.1 License Agreements. Each material license agreement that forms a part of the Collateral (individually a "License Agreement" and collectively the "License Agreements") constitutes a legal, valid and binding obligation of each party thereto, enforceable by and against such party in accordance with its terms in all material respects, except to the extent limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium and similar laws of general application related to the enforcement of creditor's rights generally and (b) general principles of equity. No party thereto is in default in any material respect, and there is no basis for any valid claim of default in any material respect, and no event has occurred which, with notice or lapse of time, would constitute a material default under such License Agreements, and no party thereto is in default in any material respect under any such License Agreement. Notwithstanding this Section 3.1, the Company does not make any representations or warranties with respect to its obligations in connection with any of the transaction documents related to that certain Asset Acquisition Agreement (the "Acquisition Agreement"), dated January 22, 2002, by and between JNI Corporation and the Company, including, but not limited to, the Promissory Note, dated January 24, 2002, and the Development and License Agreement, dated January 24, 2002.

3.2 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 Permitted Liens. The Company has all requisite power and authority to pledge and grant a security interest in the Collateral as contemplated in this Security Agreement and to create a lien on the Collateral in favor of the Collateral Agent and the Secured Parties. This Security Agreement, together with any filings required to be made, shall create a valid first priority lien upon and perfected first priority security interest in the Collateral subject in priority only to Permitted Liens. 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. To the Company's knowledge, no third party is infringing or violating the Company's rights in or to any of the Company's Intellectual Property in any material respect, or exceeding the scope of authorization or license corresponding thereto in any material respect.

3.3 Claims. The Collateral is not the subject of any present or threatened material suit, action, arbitration, administrative or other material 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 which has not already been obtained 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 this Security Agreement is terminated:

4.1 Corporate Changes. The Company shall not change its corporate form or jurisdiction of organization or relocate its chief executive office without giving Collateral Agent fifteen (15) days prior written notice thereof. 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 material 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 are maintained as of the date hereof. The Collateral Agent shall be an additional insured with respect to all risk and liability insurance. All other insurance shall provide that the Collateral Agent 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 upon the reasonable request therefore by the Collateral Agent.

4.3 No Disposition of Collateral. Other than Permitted Dispositions, 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 such reports relating to the Collateral as the Collateral Agent 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 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. Other than contracts with respect to which each other party thereto has consented to the execution and delivery of this Security Agreement, 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 Intellectual Property Covenants. The Company shall:

(a) consistent with commercially reasonable practices, prosecute diligently, as the Company's Board of Directors may reasonably determine, any necessary and material Patent, Trademark or Copyright application which is pending as of the date of this Security Agreement or hereafter and otherwise maintain all material rights in and to the Intellectual Property necessary for the Company's business, including making all necessary filings and recordings and paying all required fees and taxes to record and maintain its registration and ownership of all such material Intellectual Property included in the Collateral;

(b) not materially impair any of the Collateral Agent's rights of action described herein without the written consent of the Collateral Agent;

(c) advise the Collateral Agent of any subsequent material ownership right of the Company in or to any registered Trademark, Patent or Copyright not owned at the time of this Security Agreement;

(d) (i) protect, defend and maintain, in all material respects, the validity and enforceability of the material Trademarks, Patents and Copyrights, (ii) detect material infringements of the material Trademarks, Patents and Copyrights and promptly advise the Collateral Agent in writing of material infringements detected and (iii) not allow any material Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the prior written consent of the Collateral Agent; and

(e) promptly notify the Collateral Agent in writing of any applications or registrations that the Company makes or files in respect of any Patents, Copyrights or Trademarks as well as any material change in the Intellectual Property.

4.8 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 visit and inspect any of the properties of the Company for the purpose of inspecting the same, and shall be provided reasonable access to the books, records, officers and accountants of the Company; provided, however, that the Company shall not be obligated to provide any information that it considers in good faith to be a trade secret or to contain confidential or classified information.

4.9 Maintenance of Collateral. The Company shall maintain and preserve, in all material respects, 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 the Loan Agreement;  
or

5.2 The Company's breach of any representation or warranty in any material respect, 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, subject only to the rights of the holders of the Senior Indebtedness, the Collateral Agent, at its option and in its sole and absolute discretion, and without notice or demand, may 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, and subject to the rights of the holders of the Senior Indebtedness, 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 the collection of any sum and foreclosure on Collateral, whether accruing before or after such Event of Default, to the extent payment is required pursuant to Section 8.3 of this Security Agreement;

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

(c) Third, to the Company.

6.5 Subordination of Remedies. Notwithstanding the foregoing, until the Senior Indebtedness is paid in full in cash or cash equivalents, the Collateral Agent shall not enforce, or attempt to enforce, any rights or remedies under or with respect to any Collateral, including causing or compelling the pledge or delivery of Collateral, any attachment of, levy upon, execution against, foreclosure upon or the taking of other action against or institution of other proceedings with respect to any Collateral, notifying any account debtors of the Company or asserting any claim or interest in any insurance with respect to the Collateral.

7. The Collateral Agent. The Collateral agent shall act on behalf and for the benefit of the Secured Parties as provided herewith.

7.1 Appointment of Collateral Agent.

(a) Each Secured Party irrevocably appoints and authorizes Windward Ventures to act as its collateral agent in connection with the Transaction Documents, and authorizes the Collateral Agent to take such action on such Secured Party's behalf and to exercise such powers under this Security Agreement and the other Transaction Documents and any other security documents as are delegated to the Collateral Agent by the terms hereof and thereof, together with all such powers as are reasonably incidental thereto, and the Collateral Agent hereby accepts such appointment.

(b) The Collateral Agent is authorized to take all such action as is provided or permitted to be taken by it as Collateral Agent hereunder and all other action reasonably incidental thereto. As to any matters not expressly provided for herein the Collateral Agent shall act in accordance with written instructions from the Secured Parties holding greater than fifty percent (50%) of the aggregate amount of principal and accrued but unpaid interest outstanding under the Notes (the "Consenting Secured Parties"), or in the absence of such instructions, in accordance with its reasonable discretion, provided that such actions are not inconsistent with the provisions of this Security Agreement.

(c) The Collateral Agent may refuse to act on any notice, direction or instruction from the Secured Parties which, in the Collateral Agent's opinion, (i) is contrary to law or the provisions of this Security Agreement or (ii) may expose the Collateral Agent to liability (unless the Collateral Agent shall have been adequately indemnified for such liability by the Secured Parties), provided that the Collateral Agent shall provide written notice of such refusal to act to the Secured Parties.

## 7.2 Limitation on Liability of Collateral Agent.

(a) Any provision to the contrary contained elsewhere in the Transaction Documents notwithstanding, the Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall the Collateral Agent have or be deemed to have any fiduciary relationship with any Secured Party, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Security Agreement. The Notes or otherwise exist against the Collateral Agent; it being expressly understood and agreed that the use of the word "Collateral Agent" is for convenience only, that Windward is merely the representatives of the Secured Parties, and has only the contractual duties set forth herein.

(b) The Collateral Agent shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the security interests in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder. The Collateral Agent shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Security Agreement.

(c) Neither the Collateral Agent nor any of its partners, directors, officers, agents, or employees shall be liable for any action taken or not taken by it in connection herewith (i) with the consent or at the written request of the Consenting Secured Parties, or (ii) in the absence of its own gross negligence or willful misconduct. The Collateral Agent shall not incur any liability by acting in reliance upon any notice, consent, certificate, statement, or other writing (which may be a bank wire, telex, facsimile, e-mail or similar writing) believed by it to be genuine or to be signed by the proper party or parties.

(d) The Collateral Agent may consult with legal counsel, independent public accountants and other experts selected by it in connection with any matter arising under this Security Agreement and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

7.3 Indemnification of the Collateral Agent. Each of the Secured Parties agrees to indemnify the Collateral Agent and its partners, directors, officers, agents, or employees against, and defend and hold them harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable attorneys' 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 performance the Collateral Agent's duties under to this Security Agreement or any of the Transaction Documents, or any claim, litigation, investigation or proceeding relating hereto or thereto; provided, however that such indemnity shall not be available to the extent that such losses, claims, damages, liabilities or related expenses have resulted from the gross negligence or willful misconduct of the Collateral Agent.

7.4 Agency for Perfection. The Collateral Agent and each Secured Party hereby appoints each other Secured Party as agent for the purpose of perfecting the security interests of the Secured Parties in assets which, in accordance with the UCC can be perfected only by possession. Should any Secured Party obtain possession of any such Collateral such Secured Party shall notify the Collateral Agent thereof, and, promptly upon the Collateral Agent's request therefor shall deliver such Collateral to the Collateral Agent or in accordance with the Collateral Agent's instructions.

7.5 Resignation of the Collateral Agent. The Collateral Agent may resign at any time (effective upon acceptance by a successor Collateral Agent of its appointment hereunder) by giving written notice to all of the Secured Parties. Upon such resignation, the Consenting Secured Parties shall have the right to appoint a successor Collateral Agent. If no successor Collateral Agent shall have been so appointed by the Consenting Secured Parties within 30 days after notice by the retiring Collateral Agent, the retiring Collateral Agent may appoint a successor Collateral Agent. Upon the appointment of a successor Collateral Agent, such Collateral Agent shall succeed to and become vested with all the rights and duties of the retiring Collateral Agent, and the retiring Collateral Agent shall be discharged from its duties and obligations hereunder.

## 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 is reasonably necessary or advisable to accomplish the purposes of this Security Agreement, including without limitation (a) 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; (d) to send requests for verification of any Collateral or any proceeds therefrom; and (e) to do all things necessary to carry out this Security Agreement.

(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 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 commercially reasonable amounts and upon commercially reasonable terms.

(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 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; provided, however, that the obligation of the Company pursuant to this Section 8.3 and Section 8.4 of this Security Agreement to reimburse the Collateral Agent and the Secured Parties for any fees and expenses of any kind that they incur in connection with the Transaction Documents shall not exceed \$25,000.

#### 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 similar 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 a 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 8.3 shall be payable on written demand therefor and shall bear interest at the rate of 5% 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, until this Security Agreement is terminated pursuant to Section 9.7 hereof, 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 Notices. All communications and notices hereunder shall be in writing and given as provided in the Notes.

9.4 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.

9.5 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.

9.6 Termination. This Security Agreement and the security interest granted hereby shall terminate after and only after all the Obligations have been paid in full or have been converted into the Company's Series D Preferred Stock, 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.

9.7 Modification. Any term of this Security Agreement may be amended and the observance of any term may be waived with the written consent of the Company and the Secured Parties holding not less than 50% in the aggregate principal amount of the Notes then outstanding.

[SIGNATURE PAGE FOLLOWS]




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

Troika Networks, Inc.,  
a California corporation

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

Windward Ventures, L.P.,  
as the Collateral Agent and a Secured Party

By: Windward Ventures Management, LP,  
Its General Partner

By:   
Name: M. DAVID TITUS  
Title: GENERAL PARTNER

Draper Fisher Associates Fund IV, L.P.

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

Draper Fisher Partners IV, LLC

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

Draper Fisher ePlanet Ventures L.P.

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

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

Troika Networks, Inc.,  
a California corporation

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

Windward Ventures, L.P.,  
as the Collateral Agent and a Secured Party

By: Windward Ventures Management, LP,  
Its General Partner

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

Draper Fisher Associates Fund IV, L.P.

By: John Fisher  
Name: John Fisher  
Title: Managing Director

Draper Fisher Partners IV, LLC

By: John Fisher  
Name: John Fisher  
Title: Managing Director

Draper Fisher Planet Ventures, L.P.

By: John Fisher  
Name: John Fisher  
Title: Managing Director

Draper Fisher Partners Fund, LLC

By: John Fisher  
Name: John Fisher  
Title: Managing Director

Draper Fisher Jurvetson ePlanet Ventures  
GmbH & Co. KG

By: John Fisher  
Name: John Fisher  
Title: Managing Director

Dynafund II, L.P.

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

Windward Ventures-2000, L.P.

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

Windward Ventures-2000A, L.P.

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

Frank Bonsal Jr.

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



Draper Fisher Partners Fund, LLC

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

Draper Fisher Jurveston ePlanet Ventures  
GmbH & Co. KG

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

Dynafund II, L.P.

By: Denny R. Ko  
Name: DENNY R. KO  
Title: GP

Windward Ventures-2000, L.P.

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

Windward Ventures-2000A, L.P.

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

Frank Bonsal Jr.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
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Draper Fisher Partners Fund, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
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Draper Fisher Jurveston ePlanet Ventures  
GmbH & Co. KG

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

Dynafund II, L.P.

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

Windward Ventures-2000, L.P.  
By: Windward 2000, LLC, General Partner

By:   
Name: M. David Titus  
Title: Managing Member

Windward Ventures-2000A, L.P.  
By: Windward 2000, LLC, General Partner

By:   
Name: M. David Titus  
Title: Managing Member

Frank Bonsal Jr.

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Windward Ventures-2000A, L.P.

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

Frank Bonsal Jr.

By: Frank A. Bonsal Jr.  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Gene Hovanec

By: Gene Hovanec  
Name: Gene Hovanec  
Title: \_\_\_\_\_

Hovanec Family Trust

By: Hovanec Family Trust by  
Name: Eugene Hovanec, Trustee  
Title: Trustee

Ira Deyhimy

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

James A. Cole

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

Jim Mikkelson

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
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Hovanec Family Trust

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Ira Deyhimy

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James A. Cole

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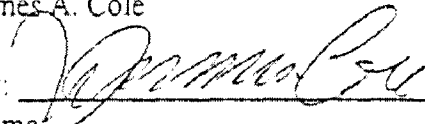
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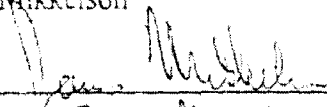
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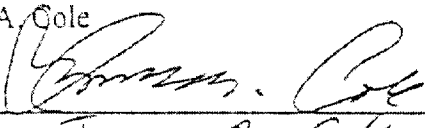
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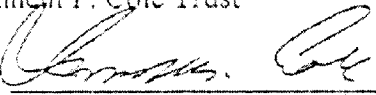
Jim Mikkelson

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Kenneth F. Cole Trust

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

Name: James A. Cole

Title: Trustee



Kimberly Cole-Wood Trust

By: *James A. Cole*  
Name: James A. Cole  
Title: Trustee

Neil Rappaport

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

Peter Behrendt

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

Ray Milano

By: \_\_\_\_\_  
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Richard Abbitt

By: \_\_\_\_\_  
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Robert Mashaal

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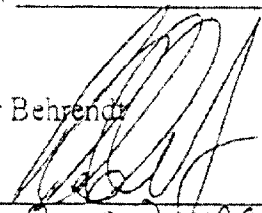
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Name: PETER BEHRENDT  
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Ray Milano

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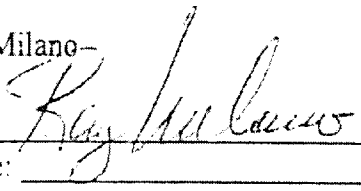
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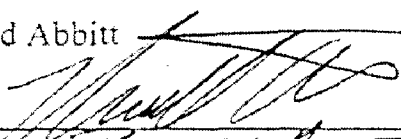
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Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Richard Abbitt

By:   
Name: RICHARD ABBITT  
Title: AN INDIVIDUAL

Robert Mashaal

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

Kimberly Cole-Wood Trust

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

Neil Rappaport

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

Peter Behrendt

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

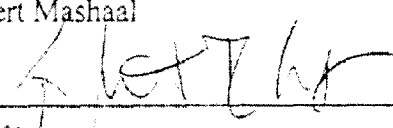
Ray Milano

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

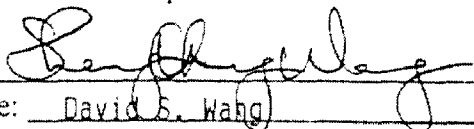
Richard Abbitt

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


Robert Mashaal

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

Tech Alliance Corporation

By:   
Name: David S. Wang  
Title: President

Technology Associates Corporation

By:   
Name: Emery Y. Hsia  
Title: President

Tomassetta Family Partnership

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

Tomassetta Trust

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

Vitesse Ventures

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


Tech Alliance Corporation

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

Technology Associates Corporation

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

Tomassetta Family Partnership

By:   
Name: LOUIS R. TOMASSETTA  
Title: General Partner

Tomassetta Trust

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

Vitesse Ventures

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

Tech Alliance Corporation

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

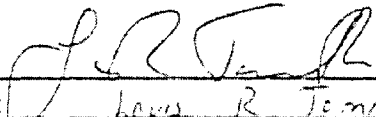
Technology Associates Corporation

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

Tomassetta Family Partnership

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

Tomassetta Trust

By:   
Name: James R Tomassetta  
Title: Trustee

Vitesse Ventures

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



Tech Alliance Corporation

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

Technology Associates Corporation

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

Tomassetta Family Partnership

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

Tomassetta Trust

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

Vitesse Ventures

By: Vitesse Venture Fund, by  
Name: Lygia H. Hirsch  
Title: \_\_\_\_\_

SCHEDULE A

Schedule of Lenders

SCHEDULE A

Schedule of Lenders (Initial Closing)

<u>Name and Address of Lenders</u>	<u>Amount of Loan</u>
Draper Fisher Associates Fund IV, L.P.	\$372,000
Draper Fisher Partners IV, LLC	\$28,000
Draper Fisher Jurvetson ePlanet Ventures L.P.	\$96,300
Draper Fisher Partners Fund, LLC	\$2,000
Draper Fisher Jurvetson ePlanet Ventures GmbH & Co. KG	\$1,700
400 Seaport Court, Suite 250 Redwood City, California 94063 Attn: Jennifer Fonstad Tel: (650) 599-9000 Fax: (650) 599-9726	
Dynafund II, L.P.	\$800,000
21311 Hawthorne Boulevard, Suite 300 Torrance, California 90503 Attn: Denny R.S. Ko Tel: (310) 543-5433 Fax: (310) 543-8733	
Windward Ventures-2000, L.P.	\$204,084
Windward Ventures-2000A, L.P.	\$95,916
Attn: Paul Scott 550 West C Street #2030 San Diego, CA 92101 Tel: 619-234-6800 Fax: 619-234-6886	
With copy to: James A. Cole c/o Windward Ventures, LP 4491 Valley Spring Drive Westlake Village, California 91362 Tel: (805) 497-3222 Fax: (805) 497-9331	

Schedule of Lenders (Additional Closing)

<u>Name and Address of Lenders</u>	<u>Amount of Loan</u>
Frank Bonsal Jr. 1119 St. Paul Street Baltimore, MD 21202 USA	\$10,000
Gene Hovanec Vitesse Semiconductor 741 Calle Plano Camarillo, CA 93012 USA	\$4,236
Hovanec Family Trust Vitesse Semiconductor 741 Calle Plano Camarillo, CA 93012 USA	\$1,619
Ira Deyhimy Vitesse Semiconductor 2300 White Stallion Road Thousand Oaks, CA 91361 USA	\$4,990
James A. Cole 2804 Ladbrook Way Thousand Oaks, CA 91361 Home: (805) 494-0355 Business: (805) 497-3222 Fax: (805) 497-9331 Mobile: (805) 559-9502	\$5,931
Jim Mikkelson 1310 Spinnaker Trail Monument, CO 80132	\$4,990
Kenneth F. Cole Trust Kenneth F. Cole 201 Hat Creek Court San Ramon, CA 94583 USA	\$527
Kimberly Cole-Wood Trust 4781 Academy Place San Diego, CA 92109-3458 USA	\$527

<b>Peter Behrendt</b> 2538 Willow Creek Drive Boulder, CO 80301 USA Business: (303) 926-8250 Home: (970) 476-3844 Business Fax: (303) 926-8251 Mobile: (303) 908-6957	\$5,000
<b>Ray Milano</b> 3676 Paseo de Nublado Thousand Oaks, CA 91360 USA	\$2,542
<b>Richard Abbitt</b> 1047 Berkeley St Santa Monica, CA 90403	\$2,796
<b>Robert Mashaal</b> Yale Properties USA, Inc. 3256 Greenwich Drive San Diego, CA 92122 USA	\$9,979
<b>Tech Alliance Corporation</b> <b>David Wang</b> 9F., No.108, Nanking E. Road, Sec. 5 Taipei Taiwan, 105, R.O.C.	\$8,095
<b>Technology Associates Corporation</b> <b>David Wang</b> 9F., No.108, Nanking E. Road, Sec. 5 Taipei Taiwan, 105, R.O.C.	\$8,095
<b>Tomassetta Family Partnership</b> <b>Lou Tomassetta</b> 3651 Via de Costa Thousand Oaks, CA 91360 USA	\$5,000
<b>Tomassetta Trust</b> <b>Lou Tomassetta</b> 3651 Via de Costa Thousand Oaks, CA 91360 USA	\$10,000
<b>Vitesse Ventures</b> <b>Vitesse Semiconductor</b> 741 Calle Plano Camarillo, CA 93012 USA	\$16,190

**SCHEDULE B**

**Existing Liens**