

11-05-2003

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



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

102592926

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

1. Name of conveying party(ies):

Dialogic Communications Corporation

- Individual(s) Association General Partnership Limited Partnership Corporation-State 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: 10/29/03

2. Name and address of receiving party(ies)

Name: AmSouth Bank

Internal Address: ATTN: Tom Dozier

Street Address: 315 Deaderick Street

City: Nashville State: TN Zip: 37237

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Alabama 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) see attached continuation sheet

B. Trademark Registration No.(s) see attached continuation sheet

Additional number(s) attached Yes No

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

Name: Jack F. King, Jr.

Internal Address:

Street Address: 1200 One Nashville Place 150 4th Avenue North

City: Nashville State: TN Zip: 37219

6. Total number of applications and registrations involved:

11

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

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

JAMES E. BRAY Name of Person Signing

Signature

10/30/03 Date

11/04/2003 ECOOPER 00000064 76343623

Total number of pages including cover sheet, attachments, and document: 19

01 FC:8521 02 FC:8522

40.00 DP 250.00 DP

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

TRADEMARK REEL: 002856 FRAME: 0556

RECORDATION FORM COVER SHEET

CONTINUATION OF ITEM 4

A. Trademark Application No.(s)

<u>Trademark</u>	<u>Application Serial No.</u>	<u>Filing Date</u>
Frontwave	76/343,623	11/30/2001
Geonotify	76/521,738	06/10/2003

B. Trademark Registration No.(s)

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Closing the Communications Loop	2,746,215	08/08/2003
Geostorm	2,338,229	04/04/2000
Masscall	2,707,293	04/15/2003
Recipient Rules Routing	2,462,990	06/19/2001
Reciprix (stylized)	2,558,660	04/09/2002
Reciprix (typed form)	2,478,622	08/14/2001
Teleclerk	1,377,922	01/14/1986
UN (and design)	2,387,706	09/19/2000
Universal Notification	2,373,634	08/01/2000

SECURITY AGREEMENT

THIS SECURITY AGREEMENT made this 29th day of October, 2003, between DIALOGIC COMMUNICATIONS CORPORATION (hereinafter referred to as "Debtor") and AMSOUTH BANK, an Alabama banking corporation (hereinafter referred to as the "Secured Party").

WITNESSETH:

WHEREAS, Secured Party is concurrently herewith entering into a loan agreement ("Loan Agreement") with Debtor pursuant to which Secured Party will extend credit to Debtor; and

WHEREAS, as a condition to the extension of credit under the Loan Agreement, Secured Party has required that Debtor grant a security interest in certain property of Debtor, and the proceeds thereof, which security interest shall secure repayment of all indebtedness described in Section 2 hereof.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. Security Interest. As security for the payment of the indebtedness more particularly described in Section 2 of this Security Agreement, Debtor hereby assigns and grants to Secured Party a first priority security interest in and to all of Debtor's right, title and interest, whether now owned or existing or hereafter acquired or arising and wherever located, in the following described property (the "Collateral"):

(a) All attachments, accessions, accessories, tools, parts, supplies, increases, upgrades, extensions, modifications, transformations, adaptations, improvements, derivative works or information, and additions to and all replacements of and substitutions for any property described in this Section 1 ("Accessions"); and

(b) All now or hereafter existing rights to payment of a monetary obligation, whether or not earned by performance, for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of; for services rendered or to be rendered; for a policy of insurance issued or to be issued; for a secondary obligation incurred or to be incurred; for energy provided or to be provided; for the use or hire of a vessel under a charter or other contract; arising out of the use of a credit or charge card or information contained on or for use with the card and all other items defined as Accounts in the Uniform Commercial Code of the State of Tennessee (the "Uniform Commercial Code") ("Accounts"); and

(c) All now or hereafter existing chattel paper and electronic chattel paper (each as defined in the Uniform Commercial Code) ("Chattel Paper"); and

(d) All now or hereafter existing demand, time, savings, passbook or similar accounts maintained with a bank ("Deposit Accounts"); and

(e) All now or hereafter existing books, correspondence, credit files, records, invoices, and other documents, including without limitation all tapes, cards, computer runs and other papers or documents in the possession or control of Debtor evidencing, describing or pertaining to the Accounts, Chattel Paper, Deposit Accounts or General Intangibles, including Payment Intangibles of the Debtor; and all balances, credits, deposits, accounts or monies of or in the name of Debtor in the possession or control of, or in transit to the Secured Party ("Deposits and Documents"); and

(f) All now or hereafter existing goods, equipment, supplies, fittings, furnishings and other tangible personal property (other than Inventory) owned for hereafter acquired by Debtor, together with any product into which such equipment may be processed, manufactured or assembled, all substitutions for said equipment and all parts, instruments, accessories, alterations, modifications, replacements, additions and accessions to said equipment ("Equipment"); and

(g) All fixtures now affixed to or to become affixed to any real property owned, leased or operated by Debtor or otherwise used in connection with the business or operations of Debtor ("Fixtures"); and

(h) All now or hereafter acquired personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter of credit rights, letters of credit, money and oil, gas or other minerals before extractions, as defined in the Uniform Commercial Code ("General Intangibles"). General Intangibles includes Payment Intangibles and software; and

(i) All now or hereafter existing goods, including fixtures and computer programs embedded in goods and any supporting information provided in connection with a transaction relating to the program (as defined in the Uniform Commercial Code) ("Goods"); and

(j) All goodwill of Debtor's existing and future business (whether or not associated with Debtor's trademarks) ("Goodwill"); and

(k) All now or hereafter existing policies of insurance covering or relating in any manner to any of the property described in this Section 1, all of which policies are hereby assigned to Secured Party as security for the payment of the Indebtedness ("Insurance"); and

(l) All federal, state, local and foreign, registered or unregistered rights in the following whether now existing or hereafter arising:

(i) all copyrights, rights and interests in copyrights, works protectable by copyrights, copyright registrations and copyright applications, including, without limitation, all copyrights currently utilized by Debtor in its business operations, all copyright registrations and

copyright applications listed in Schedule 1 attached hereto and by this reference incorporated herein, the Company Technology (as hereinafter defined) to be developed by Debtor pursuant to the Program Agreement (as hereinafter defined), and all renewals of any of the foregoing, all income, royalties, damages and payments now and hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, all damages and payments for past, present and future infringement of any of the foregoing and the right to sue for past, present and future infringement of any of the foregoing;

(ii) all patents, processes, patent rights and patent applications, including, without limitation, all patents and patent applications listed on Schedule 2 attached hereto and by this reference incorporated herein, the inventions and improvements described and claimed therein, all patentable inventions and the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing and all income, royalties, damages, and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringement of any of the foregoing and the right to sue for past, present and future infringement of any of the foregoing;

(iii) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, mask works, logos and other business identifiers, prints and labels on which any of the foregoing have appeared or appear, including, but not limited to, all trademarks listed on Schedule 3 attached hereto and by this reference incorporated herein, all goodwill related to the foregoing, all registrations and recordings thereof, and all applications in connection therewith, and all renewals thereof, and all income, royalties, general intangibles, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringement of any of the foregoing and the right to sue for past, present and future infringement of any of the foregoing;

(iv) all moral or similar rights; compilations; *sui generis* rights; rights under treaties, conventions, directives and the like (including but not limited to rights under the Berne Convention for the Protection Of Literary and Artistic Works, GATT, and all European Union directives, including but not limited to directives regarding the legal protection of databases); trade secrets; derivative works; tangible or intangible intellectual property being or to be developed, Company Technology developed pursuant to the Program Agreement, schematics; know-how; technology; rights in computer software programs or applications (in both source and object code form and in escrow or otherwise); software and firmware listings; fully commented and updated software source code, and complete system build software and instructions related to all software described herein; designs; sounds; lyrics; soundtracks; music and musical compositions; motion picture synchronization rights; scripts; continuities; testing procedures and results; fabrication and manufacturing methods; supplier lists; registrations and applications relating to any of the foregoing; employee and independent contractor lists; customer lists; sales prospects; sales, advertising, marketing and promotional information, materials, brochures, presentations, seminar materials, workbooks, brochures, training manuals and materials; documents, records and files relating to design, end user documentation; manufacturing, quality control, sales, marketing and customer support for all Intellectual Property described herein; business and financial information and

strategies; proprietary and other information in or with respect to which Debtor has any interest or rights of any nature; and data and databases; all property, rights and interests of any nature to be developed by Debtor pursuant to the Program Agreement; all exclusive and nonexclusive licenses for any of the foregoing intellectual property as described in this Section 1 including any subsection hereof; and all other tangible or intangible information and intellectual property, media (whether now or hereafter existing or invented), copies and languages (including foreign and computer languages) in which any of the foregoing is now or hereafter recorded, copied, translated, encoded or otherwise stored or utilized in any manner (all of the property described in subsections (i), (ii), (iii) and (iv) is hereafter referred to collectively as "Intellectual Property");

(v) All (a) contracts and rights therein, including, without limitation, rights under software, information and other development contracts; (b) royalties; (c) documents, documents of title, drafts, checks, acceptances, bonds, letters of credit, notes and other negotiable and non-negotiable instruments, bills of exchange, security deposits, certificates of deposit, insurance policies and any other writings evidencing a monetary obligation or security interest in or lease of personal property; (d) licenses, leases, rents, contracts or agreements, government entitlements and subsidies and tax refunds; (e) guarantees, bonds and other personal property securing the payment or performance of any of the foregoing; (f) general intangibles as such term is currently defined in the Uniform Commercial Code, which shall, in any event, include, without limitation, all right, title and interest of Debtor in or under all contracts, models, drawings, materials and records, claims, literary rights, goodwill, rights of performance, all warranties, rights under insurance policies and rights of indemnification; and (g) all Internet domain names and other identifiers of Debtor and all rights connected therewith;

(vi) all advertising and promotional materials, training manuals, workbooks, case studies and other materials prepared in connection with and/or relating to Debtor's consulting business, including, but not limited to design, development, implementation and sale of software, applications, enhancements, frameworks, methodologies, training, marketing, sales and other services that incorporate or utilize any element of the Intellectual Property pursuant to any existing or future license or other agreement in which Debtor now or hereafter has any interest or right of any nature whatsoever (including, without limitation, rights which do not amount to a property right), whether or not used or to be used by Debtor (including, without limitation, any interest of Debtor as seller or buyer, manufacturer, developer, licensee or licensor, or lessee or lessor); and all whether registered, filed or recorded or not; all whether any or all of the foregoing is eligible for intellectual property protection (including but not limited to whether any of the foregoing is copyrighted or copyrightable); and

(viii) As used herein, "Company Technology" means Debtor's processes, network software, source and object code, upgrades, updates, modifications, enhancements, applications, consulting and engineering services, training manuals and materials, sales and marketing material, advertising materials, documentation and other materials associated with the design, development, implementation, sale, distribution and use of quality frameworks, networks, applications, processes and methodologies designed for use with computers, mobile phones, personal assistants, pagers, telecommunications server equipment and applications, web services, wireless technology, other Internet ready devices and future electronic devices (whether now known or

hereafter developed) and which utilize operating systems and other software, technologies and platforms marketed by MS Channel Initiatives Corp. ("MS"), its successors, assigns, affiliates or others, including any upgrade, update, new version and/or successor thereto, to be developed by Debtor as part of the Agreed Requirements pursuant to the MS Channel Initiatives Program Agreement dated as of June 15, 2000 between Debtor and MS, as he same may be amended, modified, renewed or extended from time to time (the "Program Agreement"). Company Technology shall include all of Debtor's right, title and interest (whether under licensing agreements or otherwise) in third party components incorporated into Debtor's proprietary technology.

(m) All now or hereafter existing negotiable instruments or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment (as defined in the Uniform Commercial Code) ("Instruments"); and

(n) All now or hereafter existing goods, services, intangibles, information and any other property, interest, right or thing of value held or being developed (or to be developed) by Debtor for sale, lease, license, or furnished or to be furnished under contracts of service ("Items"), including, but not limited to, all raw materials, work in progress, materials used or consumed in Debtor's business, finished Items, returned Items, and Items traded in, and Items to be developed by Debtor pursuant to the Program Agreement ("Inventory"); and

(o) All now or hereafter existing financial assets, securities, whether certificated or uncertificated, security entitlements, securities accounts, commodities contracts or commodities accounts including, without limitation, all money market funds and other financial assets held by a securities intermediary from time to time ("Investment Property"); and

(p) All now or hereafter existing General Intangibles under which the account debtor's principal obligation is a monetary obligation (as defined in the Uniform Commercial Code) ("Payment Intangibles"); and

(q) All proceeds, as such term is defined in the Uniform Commercial Code, and in any event including, without limitation (i) any and all proceeds of any insurance, indemnity, warranty, or guaranty payable with respect to any of the Collateral; (ii) any and all payments (in any form whatsoever) made or due and payable from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority); and (iii) all other amounts from time to time paid or payable under, in respect of or in connection with any of the Collateral ("Proceeds"); and

(r) All records and data relating to anything described in this Section 1, whether in the form of a writing, photograph, microfilm, microfiche, or electronic or other media, together with all of Debtor's right, title, and interest in and to all computer software and hardware required to utilize, create, maintain, and process any such records or data on electronic media (collectively, "Records"); and

- (s) All products and produce of any of the above ("Products").

Section 2. Indebtedness. The security interest granted herein by Debtor secures and shall secure:

(a) An indebtedness in the original principal amount of \$1,500,000 evidenced by a revolving promissory note of even date herewith executed by Debtor to Secured Party and all extensions, modifications and renewals thereof (the "Note");

(b) Prompt and full payment of any and all amounts owed by Debtor to Secured Party under the Loan Agreement or under any other agreement evidencing or securing the indebtedness evidenced by the Note (the "Loan Documents"), whether now existing or hereinafter advanced and whether or not evidenced by a note, invoice or other document;

(c) Payment of all money or property heretofore or in the future advanced by or on behalf of Secured Party to or for the account of, or on behalf of, Debtor relating to the Collateral;

(d) Payment of all costs and expenses incurred by Secured Party in enforcing or protecting its rights with respect to the Collateral or the indebtedness secured by the Collateral, including, but not limited to, reasonable attorneys fees;

(e) Payment of all future advances made by Secured Party for taxes, levies, insurance and/or repairs to or maintenance of the Collateral; and

(f) All of the Secured Obligations as that term is defined in the Loan Agreement.

For purposes of this Security Agreement, all obligations secured by the Collateral shall be referred to as "Indebtedness."

Section 3. Debtor's Representations to Secured Party. Debtor hereby represents the following facts to be true and correct as of the date hereof:

(a) Debtor is the true and lawful owner of the Collateral;

(b) Debtor has a good right to grant a security interest in the Collateral; and

(c) There are no advances, liens, security interests or encumbrances against the Collateral.

Section 4. Debtor's General Warranties and Covenants to Secured Party. Debtor hereby warrants, covenants and agrees that, until the Indebtedness secured hereby shall have been paid in full or the Collateral is released pursuant to the terms and conditions set forth in the Loan Agreement:

(a) Protection and Use of Collateral. Debtor will keep the Collateral free from any adverse lien, security interest, or encumbrance, other than the security interest granted herein and a second priority security interest in favor of MS, and in good order and repair and will not waste or destroy the Collateral or any part thereof; Debtor will not use the Collateral in violation of any regulations, statutes or ordinances or of any judgments, citations, decrees or orders of any judicial or administrative authority.

(b) Except for Inventory sold in the ordinary course of business, Company Technology or Intellectual Property licensed on a non-exclusive basis in the ordinary course of business consistent with the limitations set forth elsewhere in this Section 4(b), or Accounts, contract rights, Chattel Paper or General Intangibles collected in the ordinary course of Debtor's business, Debtor shall not sell, license, lease, offer to sell, license or lease, or otherwise transfer or dispose of the Collateral without the prior written consent of Secured Party. While Debtor is not in default under this Agreement, Debtor may use the Collateral and may sell Inventory and license any Company Technology or other Intellectual Property only on a non-exclusive basis, and only in the ordinary course and on ordinary, arms-length terms and conditions of Debtor's business, which terms and conditions shall conform to customary trade and industry practices. Debtor hereby agrees that any sale of any Company Technology or other Intellectual Property (other than the sale of a copy of same) and any license or lease of any Intellectual Property on an exclusive basis, are not in the ordinary course of Debtor's business and Debtor agrees not to sell or grant exclusive licenses or leases in any of the Company Technology or other Intellectual Property without the prior written consent of Secured Party, which consent shall not be unreasonably withheld. A sale, license or lease in the ordinary course of Debtor's business does not include a transfer in partial or total satisfaction of a debt or any bulk sale.

Debtor shall not pledge, transfer, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the Secured Party's security interest and the second priority security interest in favor of MS, without the prior written consent of Secured Party. This prohibition includes encumbrances even if junior in right to Secured Party's interest. Unless waived by Secured Party, all proceeds from any disposition of the Collateral shall be held in trust for Secured Party and, upon request of Secured Party, shall not be commingled with any other funds. After Default, Debtor shall immediately deliver any of the foregoing proceeds to Secured Party upon receipt.

Debtor shall not dispose of any material assets for less than reasonable fair market value, or do any act which would materially diminish the value of the Collateral, or in any other manner impair any of its assets so as to substantially diminish the value of the Collateral.

(c) Indemnification. Debtor shall indemnify and hold Secured Party harmless against all claims arising out of or in connection with Debtor's ownership or use of the Collateral.

(d) Tax Liens, Etc. Debtor agrees to pay all taxes or other liens taking priority over the security interest created in this Security Agreement and, should default be made in the payment of same, Debtor agrees to give Secured Party prompt notice of such default, and Secured Party, at its option, may pay the same. All sums paid by Secured Party in respect thereof and all

costs, fees and expenses, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto incurred by Secured Party on account thereof together with interest thereon at the Default Rate (as defined in the Note) shall be payable by Debtor to Secured Party and shall become part of the Indebtedness secured hereby.

(e) Discharge Liens. Secured Party, in its sole and absolute discretion, without waiving or releasing any obligation, liability or duty of Debtor under this Agreement or any other loan document, or any Event of Default, may, at any time or times hereafter, but shall be under no obligation to do so, pay, acquire and/or accept an assignment of any security interest, lien, encumbrance or claim asserted by a person against the Collateral. All sums paid by Secured Party in respect thereof and all costs, fees and expenses, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto incurred by Secured Party on account thereof together with interest thereon at the maximum rate allowed by law shall be payable by Debtor to Secured Party and shall become part of the Indebtedness secured hereby.

(f) Execute Additional Documents. Debtor will sign and execute alone or with Secured Party (if any signatures are required) any financing statement or other document or procure any document and pay all necessary costs to protect the security interest under this Security Agreement against the interest of third persons. Debtor will pay the cost of filing the same in all public offices wherever filing is deemed by Secured Party to be necessary or desirable. If the Debtor refuses to execute any documents as required hereunder or if no such signature is required, Secured Party is hereby appointed Debtor's attorney-in-fact to do all acts and things which Secured Party may deem necessary to perfect and/or continue the perfection of the security interest created by this Security Agreement. Debtor further agrees to pay all costs and fees for filing any termination statements. With respect to Collateral under development, Debtor agrees to execute from time to time an assignment for security of Debtor's Intellectual Property, including, but not limited to, copyrights, trademarks, patents and mask works in forms acceptable to Secured Party and in such form(s) as may be required or advisable from time to time under applicable Laws, and further agrees to execute upon demand of Secured Party such federal, state or foreign intellectual property recordings, filings or assignments (for security) or the like, and to take whatever other actions are reasonably requested by Secured Party to perfect and continue Secured Party's interest in the Collateral, to note Secured Party's interests upon any and all Collateral as requested by Secured Party. Secured Party may at any time, and without further authorization from Debtor, file a financing statement listing the Collateral as "All Assets." Debtor shall reimburse Secured Party for all costs and fees incurred in the amendment of or the continuation of the perfection of Secured Party's security interest in the Collateral. Upon request of Secured Party Debtor will prepare and deliver to Secured Party updated schedules of Debtor's Intellectual Property including all Collateral which is or becomes eligible for registration under copyright, patent, trademark or other intellectual property registration schemes. Upon request of Secured Party, Debtor agrees to (1) register such Intellectual Property; (2) execute an assignment as security in a form acceptable to Secured Party with respect to such Intellectual Property; and (3) authorize Secured Party to file such financing statements, amendments thereto or other documents as Secured Party may deem reasonably necessary to evidence, perfect or continue its security interest in such Intellectual Property, all at Debtor's cost and expense.

(g) **Maintenance of Insurance.** Debtor shall procure and maintain commercial property insurance which covers, at a minimum, perils insured under the ISO Special Causes of Loss form in an amount equal to the full replacement cost of such Collateral (without deduction for depreciation or amortization) together with such other insurance coverage as Secured Party may reasonably require with respect to the Collateral, all in form, amounts, coverages and basis reasonably acceptable to Secured Party and issued by a company or companies reasonably acceptable to Secured Party. Debtor, upon request of Secured Party, shall deliver to Secured Party from time to time policies or certificates of insurance in form satisfactory to Secured Party, including stipulations that coverages will not be canceled or diminished without at least thirty (30) days' prior written notice to Secured Party and not including any disclaimer of the insurer's liability for failure to give such a notice. In connection with all policies covering Collateral, Debtor will cause Secured Party to be named as an additional insured (with respect to liability coverage) and provide Secured Party with such loss payable or other endorsements and certificates with respect to property coverage as Secured Party may require to ensure payment of such property insurance proceeds to Secured Party and compliance by Debtor with this section.

If Debtor at any time fails to obtain or maintain any insurance as required under this Agreement, Secured Party may (but shall not be obligated to) obtain such insurance and/or additional insurance as Secured Party deems appropriate, including but not limited to insurance not obtainable by Debtor or insurance that covers different risks than would have been covered had Debtor complied with this Agreement, including but not limited to "single interest insurance," "Collateral protection coverage," "skip coverage" insurance covering items exceeding the balance of the Indebtedness such as costs, liens, and any gap between the value of the Collateral required to be insured and the outstanding balance of the Indebtedness, all of which coverage may be obtained (if obtained) solely in Secured Party's discretion and for Secured Party's exclusive benefit and not for the benefit of Debtor.

Section 5. **Events of Default.** The term "Event of Default", "Default", "event of default" or "default" whenever used in this Security Agreement, shall mean any one or more of the following events or conditions:

- (a) the occurrence of a default under the Loan Agreement;
- (b) loss or destruction of any material portion of the Collateral unless in the case of the Equipment, such Equipment was fully insured subject to reasonable deductible limits, or the unauthorized sale, transfer or disposition of any material portion of the Collateral (without the prior written consent of Secured Party to the extent required hereunder) or unauthorized encumbrance of any material portion of the Collateral; or
- (c) breach of any covenant, warranty, agreement or representation contained in this Security Agreement which breach is not cured within thirty (30) days of receiving notice from Secured Party, provided to the extent such breach is not capable of being cured within thirty (30)

days, Debtor shall have such additional period of time reasonably necessary to cure such breach so long as Debtor is diligently pursuing such cure and such breach is in fact cured.

Section 6. Remedies. Secured Party shall have the following remedies hereunder:

(a) Acceleration and Foreclosure, Etc. Upon the happening of any Event of Default, and at any time thereafter provided that such Event of Default has not been cured, at the option of the Secured Party, any and all Indebtedness secured hereby shall become immediately due and payable without presentment or demand or any notice to Debtor or any other person obligated thereon, and Secured Party shall have and may exercise any or all of the rights and remedies of a secured party under the Uniform Commercial Code as adopted in the State of Tennessee, and as otherwise contractually granted herein or under any other applicable law or under any other agreement executed by Debtor in favor of Secured Party, including, without limitation, the right and power to sell, at public or private sale or sales, or otherwise dispose of or utilize such portion of the Collateral and any part or parts thereof in any manner authorized or permitted under said uniform Commercial Code after default by Debtor, and to apply the proceeds thereof toward payment of any costs and expenses and reasonable attorney's fees and legal expenses thereby incurred by Secured Party and toward payment of the obligations in such order or manner as Secured Party may elect. Additionally, and as an essential part of the bargained for consideration running to the Secured Party, Debtor hereby expressly grants to Secured Party the contractual right to purchase any or all of the Collateral at private sale any time after 10 days' notice of such sale shall have been sent to Debtor by Secured Party.

(b) Waiver of Notice, Etc. Debtor agrees that if such notice of default is mailed, postage prepaid, or sent by telegram, charges prepaid, to Debtor at the address stated at the beginning of this document at least 10 days before the time of the proposed sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement of giving of notice.

(c) [Intentionally deleted.]

(d) Preservation of Collateral and Proceeds. In addition to the foregoing provisions, following an Event of Default, and upon Secured Party's demand, Debtor agrees to assemble the Collateral at its usual place of business and make same available to Secured Party immediately.

(e) Intellectual Property. Debtor further agrees that title to the Intellectual Property shall automatically pass to Secured party upon any exercise of its rights under this Section 6, including but not limited to title to all trademarks, trade names and trade styles.

Section 7. Secured Party's Powers and Duties with Respect to Collateral.

(a) Secured Party shall be under no duty to pursue collection of any amount which may be or become due on any of the Collateral now or hereafter pledged hereunder, to realize on Collateral, to collect principal, interest or dividends, to keep the same insured, to make any

presentments, demands or notices of protest, in connection with any of the Collateral, or to do anything for the enforcement and collection of the Collateral or the protection thereof.

(b) Not limiting the generality of any of the foregoing but in amplification of the same, Secured Party shall be in no way liable to or responsible for any diminution in the value of the Collateral from any cause whatsoever.

(c) Debtor agrees to pay all taxes, charges, transfer fees and assessments against the Collateral and to do all things necessary to preserve and maintain the value and collectibility thereof, and on the failure of Debtor to so do, Secured Party may, after giving Debtor written notice of its intention to do so, make such payments and advance such sums on account thereof as Secured Party, in Secured Party's discretion, deems desirable.

All sums paid by Secured Party in respect thereof and all costs, fees and expenses, including reasonable attorneys, fees, court costs, expenses and other charges relating thereto incurred by Secured Party on account thereof together with interest thereon at the Default Rate shall be payable by Debtor to Secured Party and shall become part of the Indebtedness secured hereby.

Section 8. General Authority. Effective immediately, but exercisable by Secured Party (or by any person designated by Secured Party) only upon the occurrence of an Event of Default, Debtor hereby irrevocably appoints Secured Party (or any person designated by Secured Party) as Debtor's true and lawful attorney-in-fact with full power of substitution, in Secured Party's name or Debtor's name or otherwise, for Secured Party's sole use and benefit, but at Debtor's cost and expense, to exercise at any time and from time to time all or any of the following powers with respect to all or any of the collateral:

(a) To receive, take, endorse, assign and deliver in Secured Party's name or Debtor's name any and all checks, notes, drafts and other instruments relating to any Collateral;

(b) To receive and open all mail addressed to Debtor and to retain all mail pertaining to the Collateral;

(c) To sign Debtor's name on any contract, deed, invoice, assignment, or bill of sale relating to any Collateral; and

(d) In general, to do all things necessary to realize against the Collateral and to perform the terms of this Agreement, including, without limitation, to take any action or proceedings which Secured Party deems necessary or appropriate to protect and preserve the security interest of Secured Party in the Collateral and proceeds thereof.

Provided, however, the exercise by Secured Party of or failure to so exercise any such authority shall in no manner affect Debtor's liability to Secured Party hereunder or in connection with the Indebtedness; and provided further, that Secured Party shall be under no obligation or duty to exercise any of the powers hereby conferred upon it and it shall have no liability for any act or failure

to act in connection with any of the Collateral. Secured Party shall not be bound to take any steps necessary to preserve rights in any instrument, contract or lease against third parties.

Section 9. Survival of Agreements, Representations and Warranties. All agreements, representations and warranties contained herein or made in writing by or on behalf of Debtor in connection with the transactions contemplated hereby shall survive the execution and delivery of this Security Agreement and throughout the term of the loan.

Section 10. Dealings with Debtor. It is expressly understood and agreed that, notwithstanding anything else contained in this Security Agreement, Secured Party may, for all purposes hereof deal solely with Debtor in connection therewith, and nothing herein or in the Loan Agreement shall be construed so as to require dealings with, consent of, or notice to any other parties or persons.

Section 11. Agreement Not Exclusive Remedy. This Security Agreement shall not prejudice the right of Secured Party, at its option, to enforce collection of the Indebtedness by suit or in any lawful manner. If Secured Party has additional security, then it may resort to such other security for the payment of the Indebtedness secured hereby. No right or remedy in this Security Agreement or in any instrument evidencing the Indebtedness is intended to be exclusive of any other right or remedy, but every such right or remedy shall be cumulative and shall be in addition to every other right or remedy herein or therein conferred, or now or thereafter existing, by contract, at law or in equity or by statute.

Section 12. Non-Waiver Provision. No delay or omission by Secured Party to exercise any right or remedy shall impair such right or remedy or any other right or remedy or shall be construed to be a waiver of any Event of Default or an acquiescence therein; and every right and remedy herein conferred or now or hereafter existing by contract or at law or in equity or by statute may be exercised separately or concurrently and in such order and as often as may be deemed expedient by Secured Party. Not limiting the generality of the foregoing, the exercise of any right or remedy conferred herein, or by law or in equity or by statute, shall not be, and shall not be considered to be, an election against, waiver or relinquishment of, any other right or remedy.

Section 13. Severability. The invalidity or unenforceability of any of the rights or remedies herein provided in any jurisdiction shall not in any way affect the right to the enforcement in such jurisdiction or elsewhere of any of the other rights or remedies herein provided.

Section 14. Applicable Law. This Security Agreement is being delivered and is intended to be performed in the State of Tennessee and shall be construed and enforced in accordance with and governed by the substantive law of such State.

Section 15. Binding Agreement. This Security Agreement shall be binding upon and inure to the benefit of the successors, representatives and assigns of the parties hereto.

Section 16. Entire Agreement. This Agreement contains the entire Security Agreement between the Secured Party and the Debtor and supersedes all prior agreements and understandings

relating to the subject matter hereof, except as may be contained in the Loan Agreement and the other loan documents delivered in connection therewith. It may not be changed or terminated orally, but may only be changed by an agreement in writing signed by the party or parties against whom enforcement of any waiver, change, modification, extension, discharge or termination is sought. Unless otherwise specified, all terms used herein and the Exhibits hereto shall have the same meanings as in the other Loan Documents, which are incorporated herein by reference.

Section 17. Captions. The captions of this security Agreement are for the purpose of reference only, and shall not limit or otherwise affect any of the terms hereof.

Section 18. Notices. Any notice, election or demand required or permitted to be served by either party hereto upon the other shall be deemed to have been properly given if such notice shall be in writing and either personally delivered or sent certified mail, return receipt requested, with postage prepaid, and addressed as follows:

TO LENDER: AmSouth Bank
 315 Deaderick Street
 Nashville, TN 37237
 Attn: Tom Dozier

With a Copy to: Miller & Martin LLP
 1200 One Nashville Place
 150 Fourth Avenue, North
 Nashville, TN 37219-2433
 Attn: Jack F. King, Jr., Esq.

TO BORROWER: Dialogic Communications Corporation
 730 Cool Springs Boulevard, Suite 300
 Franklin, TN 37067
 Attn: Chief Executive Officer

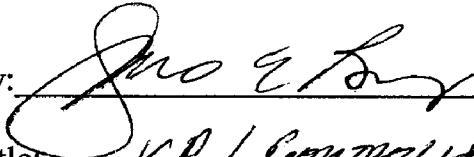
In like manner, either party from time to time may change the address to which notices to it are to be sent.

Section 19. Authorization. Debtor hereby authorizes Secured Party to file such financing statements as Secured Party feels may be necessary or appropriate in order to perfect Secured Party's security interest in the Collateral.

IN WITNESS WHEREOF, this Security Agreement has been executed and delivered as of the date first above written.

DEBTOR:


DIALOGIC COMMUNICATIONS CORPORATION

By: 

Title: VP / Controller

SECURED PARTY:

AMSOUTH BANK

By: 

Title: Vice President

SCHEDULE 1

NONE

SCHEDULE 2

Patents

<u>Patent</u>	<u>Registration Number</u>	<u>Registration Date</u>
Automated System & method for delivering messages and processing responses	6,463,462	October 8, 2002

Patent Applications

<u>Patent Application</u>	<u>Application Serial No.</u>	<u>Filing Date</u>
Automated System & Processing for message responses	10/155,836	May 24, 2002

SCHEDULE 3

Trademark Application

<u>Trademark</u>	<u>Application Serial No.</u>	<u>Filing Date</u>
Frontwave	76/343,623	11/30/2001
Geonotify	76/521,738	06/10/2003

Trademarks

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Closing the Communications Loop	2,746,215	08/08/2003
Geostorm	2,338,229	04/04/2000
Masscall	2,707,293	04/15/2003
Recipient Rules Routing	2,462,990	06/19/2001
Reciprix (stylized)	2,558,660	04/09/2002
Reciprix (typed form)	2,478,622	08/14/2001
Teleclerk	1,377,922	01/14/1986
UN (and design)	2,387,706	09/19/2000
Universal Notification	2,373,634	08/01/2000