

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
KiSS Technology A/S		07/29/2005	CORPORATION: DENMARK
RECEIVING PARTY DATA			
Name:	Cisco Systems, Inc.		
Street Address:	170 West Tasman Drive		
City:	San Jose		
State/Country:	CALIFORNIA		
Postal Code:	95134		
Entity Type:	CORPORATION: CALIFORNIA		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	2575108	SATDEM	
Serial Number:	76309050	COOL	
CORRESPONDENCE DATA			
Fax Number:	(650)938-5200		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(650) 988-8500		
Email:	trademarks@fenwick.com		
Correspondent Name:	Linda G. Henry		
Address Line 1:	801 California Street		
Address Line 2:	Silicon Valley Center		
Address Line 4:	Mountain View, CALIFORNIA 94041		
NAME OF SUBMITTER:	Linda G. Henry, Esq.		
Signature:	/lgh/		
Date:	08/02/2005		

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Total Attachments: 10

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SECURITY AGREEMENT

This SECURITY AGREEMENT (this "*Agreement*") is made as of July 29, 2005 by and between KiSS Technology A/S, a Danish corporation (the "*Company*"), and Cisco Systems, Inc., a California corporation (together with its designees and assigns, "*Cisco*").

RECITALS

A. Cisco is advancing funds to the Company in exchange for the issuance to Cisco of a certain secured promissory note evidencing the Company's obligation to repay Cisco's loan of such advanced funds.

B. The parties have agreed that Company's obligations under such secured promissory note will be secured by Company's grant to Cisco of a security interest in and to certain collateral, pursuant to the terms and conditions of this Agreement.

Now, Therefore, the parties hereby agree as follows.

1. SECURITY.

1.1 Grant of Security Interest. As security for payment and performance of all Indebtedness (as defined below) of the Company to Cisco when and as due, the Company hereby grants to Cisco a security interest in the Collateral (as defined below). For purposes of this Agreement, "*Indebtedness*" means all obligations and liabilities of the Company to Cisco under that certain secured promissory note issued to Cisco on or about the date hereof (the "*Note*") and under this Agreement and attorneys fees and costs incurred by Cisco in enforcing this Agreement or collecting payment under the Note or hereunder. Reference to "*Cisco*" in the remainder of this Agreement shall include the subsequent holders of the Note.

1.2 Collateral Defined. As used in this Agreement, the term "*Collateral*" means, collectively, the assets described in Exhibit A attached hereto that are located at the places set forth in Exhibit A (the "*Collateral Locations*"), as applicable, and all proceeds thereof.

[Redacted Text]

1.4 Termination. When all the Indebtedness has been paid in full and discharged, this Agreement and the security interest granted to Cisco under this Agreement will terminate.

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2. **REPRESENTATIONS AND WARRANTIES OF THE COMPANY.** The Company represents and warrants to Cisco that:

2.1 **Title; No Liens or Claims in Collateral.** The Company owns all right, title and interest in and to the Collateral. All of the Collateral is (and until the Note has been paid in full and all the Indebtedness is fully satisfied will be) free and clear of all liens, security interests, mortgages, claims, rights, encumbrances and restrictions of any kind except for certain security interests granted to William Almon, and the Almon 1992 Irrevocable Trust U/T/A, dated December 30, 1992 prior to the date of this Agreement and disclosed on Schedule 2.1 hereof, statutory tax liens and the security interest granted to Cisco under this Agreement.

2.2 **No Bankruptcy.** The Company is not subject to any bankruptcy case or insolvency proceedings before any court in any jurisdiction. In the ninety (90) days preceding the date of this Agreement, the Company has not received any threat from any third party to subject the Company to any involuntary bankruptcy or insolvency proceeding.

3. **COVENANTS OF THE COMPANY.** So long as any of the Indebtedness to Cisco has not been fully satisfied, the Company covenants and agrees with Cisco that:

3.1 **Condition of Collateral.** The Company will maintain the Collateral in good condition and repair.

3.2 **Taxes.** The Company will pay all taxes due and owing by the Company at such time as they become due.

3.3 **Insurance.** To the extent practicable, the Company will maintain fire and casualty insurance sufficient in amount (subject to reasonable deductibles) to allow it to replace any of the Collateral that might be damaged or destroyed and will name Cisco as an additional named insured.

3.4 **Location of Collateral.** The Company will not move or relocate any or all of the Collateral (except as provided in Section 3.5 below) to any location outside of Denmark without giving Cisco written notice of the moving of such Collateral at least twenty (20) days before such Collateral is moved or relocated. Any notice provided by the Company relating to the movement of Collateral shall indicate in detail the description of the Collateral to be moved or relocated and the location(s) and address(es) to which such Collateral is to be moved.

3.5 **Sale of Collateral.** The Company will not, without Cisco's prior written consent, which may be withheld in Cisco's sole discretion, sell, lease, assign, transfer or otherwise dispose of the Collateral, any part thereof or any interest therein, or any of the Company's rights therein, to any person, entity or party other than Cisco, except for: (a) sales of inventory; (b) grants of nonexclusive licenses of intangible assets; and (c) dispositions of obsolete equipment, in the ordinary course of the Company's business.

3.6 **Other Liens.** The Company will keep the Collateral free and clear of all liens, security interests, mortgages, claims, rights, encumbrances and restrictions of any kind except for certain security interests granted to William Almon, and the Almon 1992 Irrevocable

Trust U/T/A, dated December 30, 1992 and disclosed on Schedule 2.1 hereof, statutory tax liens and those approved in writing by Cisco.

4. RIGHTS AND REMEDIES UPON EVENT OF DEFAULT.

4.1 General Remedies. In the event of an occurrence of any Event of Default (as that term is defined in the Note), in addition to exercising any other rights or remedies Cisco may have under the Note, at law or in equity, Cisco may, at its option, and without demand first made, exercise any one or all of the following rights and remedies: (i) collect the Collateral and its proceeds; (ii) take possession of the Collateral wherever it may be found, using all reasonable means to do so, or require the Company to assemble the Collateral and make it available to Cisco at a place designated by Cisco that is reasonably convenient to the Company; (iii) proceed with the foreclosure of the security interest in the Collateral granted herein and the sale or endorsement and collection of the proceeds of the Collateral in any manner permitted by law or provided for herein; (iv) sell, lease or otherwise dispose of the Collateral at public or private sale, with or without having the Collateral at the place of sale; (v) institute a suit or other action against the Company for recovery on the Note or to obtain possession or effect a sale of the Collateral; and/or (vi) offset, against any payment due from the Company to Cisco, the whole or any part of any indebtedness of Cisco to the Company.

4.2 No Election of Remedies. The election by Cisco of any right or remedy will not prevent Cisco from exercising any other right or remedy against the Company.

4.3 Proceeds. If an Event of Default occurs, all proceeds and payments with respect to the Collateral will be retained by Cisco (or if received by the Company will be held in trust and will be forthwith delivered by the Company to Cisco in the original form received, endorsed in blank) and held by Cisco as part of the Collateral or applied by Cisco to the payment of the Indebtedness.

4.4 Sales of Collateral. Any item of Collateral may be sold for cash or other value at public or private sale or other disposition and the proceeds thereof collected by or for Cisco as provided under applicable law. The Company agrees to promptly execute and deliver, or promptly cause to be executed and delivered, such instruments, documents, assignments, waivers, certificates and affidavits and supply or cause to be supplied such further information and take such further action as Cisco may reasonably require in connection with any such sale or disposition. Cisco will have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Company, which right or equity is hereby waived or released. If any notice of a proposed sale, lease, license or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) days before such sale, lease, license or other disposition. Cisco agree to give the Company ten (10) days' prior written notice of any sale, lease, license or other disposition of Collateral (or any part thereof) by Cisco.

4.5 Application of Proceeds. The proceeds of all sales and collections in respect of the Collateral, the application of which is not otherwise specifically herein provided for, will be applied as follows: (i) first, to the payment of the costs and expenses of such sale or

sales and collections and the attorneys' fees and out-of-pocket expenses incurred by the Secured Parties relating to costs of collection; (ii) second, any surplus then remaining will be applied first, to the payment of all unpaid interest accrued and owed to the Secured Parties on a pro rata basis as applicable, and then to the payment of unpaid principal to the Secured Parties on a pro rata basis as applicable; and (iii) third, any surplus then remaining will be paid to the Company.

5. GENERAL PROVISIONS.

5.1 Survival of Warranties. The representations, warranties and covenants of the Company and Cisco contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and shall in no way be affected by any investigation of the subject matter thereof made by or on behalf of any of Cisco or the Company, as the case may be.

5.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

5.3 Governing Law; Enforceability. This Agreement shall be governed by the laws of the State of California, without giving effect to conflicts of law principles. This Agreement is enforceable in accordance with Section 478, paragraph 1, no. 5 and paragraph 4 of the Danish Administration of Justice Act (Retsplejeloven) and similar provisions in any other relevant jurisdictions.

5.4 Arbitration. Any dispute hereunder ("**Dispute**") shall be settled by arbitration by Judicial Arbitration & Mediation Services/EnDispute or its successor ("**J.A.M.S.**") in Santa Clara County, California, and, except as herein specifically stated, in accordance with the J.A.M.S. Streamlined Arbitration Rules and Procedures then in effect (the "**J.A.M.S. Rules**"). The arbitration provisions of this Section 5.4 shall govern over any conflicting rules that may now or hereafter be contained in the J.A.M.S. Rules. Any judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction over the subject matter thereof. The arbitrator shall have the authority to grant any equitable and legal remedies that would be available in any judicial proceeding instituted to resolve a Dispute. The non-prevailing party to an arbitration shall pay its own expenses, the fees of the arbitrator, the administrative fee of J.A.M.S. and the expenses, including attorneys' fees and costs, reasonably incurred by the other party to the arbitration.

(a) **Compensation of Arbitrator.** Any such arbitration will be conducted before a single arbitrator who will be compensated for his or her services at a rate to be determined by the parties or by J.A.M.S., but based upon reasonable hourly or daily consulting rates for the arbitrator in the event the parties are not able to agree upon his or her rate of compensation.

(b) **Selection of Arbitrator.** The parties will cooperate with J.A.M.S. in promptly selecting from a list of arbitrators who are lawyers familiar with California contract law one (1) arbitrator from the J.A.M.S. panel of neutrals; provided, however, that (i) such arbitrator cannot work for a firm then performing services for either party, and (ii) each party

will have the opportunity to make such reasonable objection to any of the arbitrators listed as such party may wish. In the event that the parties cannot agree on an arbitrator within three (3) business days after either party's issuance of a written demand for arbitration, J.A.M.S. will select the arbitrator.

(c) **Payment of Costs.** Cisco and the Company will bear the expense of deposits and advances required by the arbitrator in equal proportions, but either party may advance such amounts, subject to recovery as an addition or offset to any award. The arbitrator will award to the prevailing party all costs, fees and expenses related to the arbitration, including reasonable fees and expenses of attorneys, accountants and other professionals incurred by the prevailing party.

(d) **Burden of Proof.** For any Dispute submitted to arbitration, the burden of proof will be as it would be if the claim were litigated in a judicial proceeding.

(e) **Award.** Upon the conclusion of any arbitration proceedings hereunder, the arbitrator will render findings of fact and conclusions of law and a written opinion setting forth the basis and reasons for any decision reached and will deliver such documents to each party to this Note along with a signed copy of the award. The arbitrator may not award punitive damages.

(f) **Terms of Arbitration.** The arbitrator chosen in accordance with the provisions of this Section 5.4 will not have the power to alter, amend or otherwise affect the provisions of this Agreement, including the terms of these arbitration provisions.

(g) **Confidentiality.** At the request of any party, the mediators, arbitrators, attorneys, parties to the mediation or arbitration, witnesses, experts, court reporters, or other persons present at a mediation or arbitration shall agree in writing to maintain the strict confidentiality of the proceedings.

5.5 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.6 **Headings.** The headings and captions used in this Agreement are used only for convenience and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs, exhibits and schedules shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits and schedules attached hereto, all of which exhibits and schedules are incorporated herein by this reference.

5.7 **Notices.** Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given (i) at the time of personal delivery, if delivery is in person; (ii) one (1) business day after deposit with an express overnight courier for United States deliveries, or two (2) business days after such deposit for deliveries outside of the United States, with proof of delivery from the courier requested; or (iii) three (3) business days after deposit in the United States mail by certified mail (return receipt requested) for United States deliveries when addressed to Cisco at 170 West Tasman Drive, San Jose, CA. 95134 or, in the case of the Company, at Slotsmarken 10, 2820 Horsholm,

Denmark, or at such other address as any party or the Company may designate by giving ten (10) days' advance written notice to all other parties.

5.8 Amendments and Waivers. Any term of this Agreement may be amended, and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and Cisco.

5.9 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

5.10 Further Assurances. From and after the date of this Agreement, upon the request of Cisco or the Company, the Company and Cisco shall execute and deliver such instruments, documents or other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement.

[Signature page follows]

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

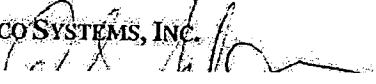
KISS TECHNOLOGY AS

By: 

Name: PETER WILMAR CHRISTENSEN

Title: CEO

CISCO SYSTEMS, INC.



[Redacted]

[SIGNATURE PAGE TO SECURITY AGREEMENT]

EXHIBIT A

COLLATERAL

[Redacted Text]

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TRADEMARK ^{NO}
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4) All of the following Trademarks:

[Redacted Text]

"Cool"

USA 2001 Appl. 76/309050, pending classes 9 and 42

"SATDEM" (word)

USA = 2002 No. 2575108 classes 9

[Redacted Text]

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SCHEDULE 2.1

(i) The "KiSS" brand and all trademark rights and service mark rights therein, together with all related designs and goodwill; and

[Redacted Text]

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NO