

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|------------------------------|-------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|--|----------|----------------|-------------------------|
| VISUAL NETWORKS, INC. | | 08/08/2005 | CORPORATION: DELAWARE |
| VISUAL NETWORKS OPERATIONS, INC. | | 08/08/2005 | CORPORATION: DELAWARE |
| VISUAL NETWORKS INTERNATIONAL OPERATIONS, INC. | | 08/08/2005 | CORPORATION: DELAWARE |
| VISUAL NETWORKS TECHNOLOGIES, INC. | | 08/08/2005 | CORPORATION: CALIFORNIA |

RECEIVING PARTY DATA

| | |
|--------------------------|-----------------------------------|
| Name: | SPECIAL SITUATIONS FUND III, L.P. |
| Street Address: | 153 East 53rd Street |
| Internal Address: | 51st Floor |
| City: | New York |
| State/Country: | NEW YORK |
| Postal Code: | 10022 |
| Entity Type: | LIMITED PARTNERSHIP: DELAWARE |

| | |
|--------------------------|--|
| Name: | SPECIAL SITUATIONS PRIVATE EQUITY FUND, L.P. |
| Street Address: | 153 East 53rd Street |
| Internal Address: | 51st Floor |
| City: | New York |
| State/Country: | NEW YORK |
| Postal Code: | 10022 |
| Entity Type: | LIMITED PARTNERSHIP: DELAWARE |

| | |
|--------------------------|--|
| Name: | SPECIAL SITUATIONS TECHNOLOGY FUND, L.P. |
| Street Address: | 153 East 53rd Street |
| Internal Address: | 51st Floor |
| City: | New York |

CH \$340.00 2009418

| | |
|----------------|-------------------------------|
| State/Country: | NEW YORK |
| Postal Code: | 10022 |
| Entity Type: | LIMITED PARTNERSHIP: DELAWARE |

| | |
|-------------------|---------------------------------------|
| Name: | SPECIAL SITUATIONS CAYMAN FUND, L.P. |
| Street Address: | c/o Walkers SPV Limited, Walker House |
| Internal Address: | P.O. Box 908GT, Mary Street |
| City: | George Town, Grand Cayman |
| State/Country: | CAYMAN ISLANDS |
| Entity Type: | LIMITED PARTNERSHIP: |

| | |
|-------------------|---|
| Name: | SPECIAL SITUATIONS TECHNOLOGY FUND II, L.P. |
| Street Address: | 153 East 53rd Street |
| Internal Address: | 51st Floor |
| City: | New York |
| State/Country: | NEW YORK |
| Postal Code: | 10022 |
| Entity Type: | LIMITED PARTNERSHIP: DELAWARE |

PROPERTY NUMBERS Total: 13

| Property Type | Number | Word Mark |
|----------------------|----------|--------------------------|
| Registration Number: | 2009418 | VISUAL UPTIME |
| Registration Number: | 2122626 | VISUAL NETWORKS |
| Registration Number: | 2224976 | BURST ADVISOR |
| Registration Number: | 2477263 | EWATCHER |
| Registration Number: | 2497464 | TRINITY |
| Registration Number: | 2629056 | VISUAL NETWORKS |
| Registration Number: | 2936742 | VISUAL IP INSIGHT |
| Serial Number: | 76139116 | VISUAL IP INSIGHT |
| Registration Number: | 2248906 | MEASUREMENTS THAT MATTER |
| Registration Number: | 2304103 | INVERSE IP INSIGHT |
| Registration Number: | 2389211 | INVERSE IP INSIGHT |
| Registration Number: | 2203246 | AVESTA TECHNOLOGIES |
| Registration Number: | 2115387 | IWATCHER |

CORRESPONDENCE DATA

Fax Number: (973)597-2400

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 973-597-2500
Email: lstrademark@lowenstein.com
Correspondent Name: Nicholas G. Mehler, Esq.
Address Line 1: Lowenstein Sandler PC
Address Line 2: 65 Livingston Avenue
Address Line 4: Roseland, NEW JERSEY 07068-1791

DOMESTIC REPRESENTATIVE

Name:
Address Line 1:
Address Line 2:
Address Line 3:
Address Line 4:

| | |
|--------------------|--------------------------|
| NAME OF SUBMITTER: | Nicholas G. Mehler, Esq. |
| Signature: | /Nicholas G. Mehler/ |
| Date: | 09/07/2005 |

Total Attachments: 12

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Exhibit II

Trademark Security Agreement

TRADEMARK SECURITY AGREEMENT, dated as of August 8, 2005 (this "Agreement"), is by and among the parties identified as "Grantors" on the signature pages hereto and such other parties as may become Grantors hereunder after the date hereof (individually a "Grantor", and collectively the "Grantors") and the Purchasers named on the signature pages hereto (the "Purchasers").

Grantors and Purchasers hereby agree as follows:

SECTION 1.

Definitions; Interpretation.

(a) Defined Terms. All capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings assigned to them in the Purchase Agreement, dated as of August 5, 2005, by and between Visual Networks, Inc. (the "Borrower") and the Purchasers (the "Purchase Agreement") and the Notes.

(b) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Collateral" has the meaning set forth in Section 2.

"Notes" means \$ in aggregate principal amount of the Borrower's 5% Senior Secured Convertible Notes issued by the Borrower to the Purchasers.

"Trademark Office" means the United States Patent & Trademark Office.

SECTION 2.

Security Interest

To secure the complete and timely payment and satisfaction of the Obligations, each Grantor hereby grants to Purchasers, and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing security interest in such Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Collateral"), whether now owned or existing or hereafter created or acquired:

(a) Each trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof (each a "Trademark"), and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark; and

(b) All products and proceeds of the forgoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

SECTION 3

Supplement to Security Agreement

This Agreement has been entered into in conjunction with the security interests granted to Purchasers under the Security Agreement, and other security documents referred to therein. The rights and remedies of the Purchasers with respect to the security interests granted herein are without prejudice to, and are in addition to those set forth in the Security Agreement or any other security documents referred to therein, all terms and provisions of which are incorporated herein by reference.

SECTION 4

Representations and Warranties

Each Grantor represents and warrants to Purchasers that:

(a) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation licenses and covenants by Grantor not to sue third persons, except for Permitted Liens.

(b) Grantor has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(c) Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

SECTION 5

Further Acts

Grantor agrees that until Grantor's Obligations shall have been satisfied in full, Grantor shall not, without the prior written consent of Purchasers, sell or assign its interest in, or grant any license under, any Trademark or enter into any other agreement with respect to any Trademark (except as permitted under the Transaction Documents), and Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Purchasers under this Agreement.

SECTION 6

Purchasers' Right to Sue

After an Event of Default occurs and while it continues, Purchasers shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Purchasers shall commence any such suit, Grantor shall, at the request of Purchasers, do any and all lawful acts and execute any and all proper documents reasonably required by Purchasers in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Purchasers for all reasonable costs and expenses incurred by Purchasers in the exercise of its rights under this Section 7.

SECTION 7

Cumulative Remedies; Power of Attorney

Purchasers hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby or by the Security Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Purchasers upon the occurrence and during the continuance of an Event of Default, to make, constitute and appoint any officer or agent of Purchasers as Purchasers may select, in their sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (a) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Purchasers in the use of the Trademarks or (b) take any other actions with respect to the Trademarks as Purchasers deem to be in the best interest of Purchasers, or (c) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Grantor hereby ratifies all that such attorneys shall lawfully do or cause to be done after the occurrence and during the continuance of an Event of Default by virtue hereof. This power of attorney shall be irrevocable until Grantor's Obligations shall have been paid in full. Grantor hereby further acknowledges and agrees that the use by Purchasers of the Trademarks after the occurrence and during the continuance of an Event of Default shall be worldwide, except as limited by their terms, and without any liability for royalties or related charges from Purchasers to Grantor.

SECTION 8

Binding Effect

This Agreement shall be binding upon, inure to the benefit of and be enforceable by each Grantor, Purchasers and their respective successors and assigns. No Grantor may assign, transfer, hypothecate or otherwise convey its rights, benefits, obligations or duties hereunder except as specifically permitted by the Notes.

SECTION 9

Governing Law

This Agreement shall be governed by, and construed in accordance with, the law of the State of New York, except as required by mandatory provisions of law or to the extent the perfection or priority of the security interests hereunder, or the remedies hereunder, in respect of any Collateral are governed by the law of a jurisdiction other than the State of New York.

SECTION 10

Entire Agreement; Amendment

No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by the Grantors and the Purchasers, and no waiver of any provision of this Agreement, and no consent to any departure by the Grantors therefrom, shall be effective unless it is in writing and signed by the Purchasers, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Notwithstanding the foregoing, (a) additional Persons may become Grantors under this Agreement without consent of any other Grantor through execution and delivery to the Purchasers of an Assumption Agreement in the form of Annex 1 hereto or any other form of supplement acceptable to the Purchasers, and (b) Purchasers unilaterally may modify, amend or supplement the Schedules hereto, and such modified, amended or supplemented Schedules shall be deemed to be accurate absent manifest error. To the extent that any provision of this Agreement conflicts with any provision of the Notes, the provision giving Purchasers greater rights or remedies shall govern, it being understood that the purpose of this Agreement is to add to, and not detract from, the rights granted to Purchasers under the Notes. Nothing in this Section 10 shall be construed to permit any Grantor to form a Subsidiary unless expressly permitted to do so under the Notes.

SECTION 11

Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile shall be equally as effective as delivery of a manually executed counterpart. Any party hereto delivering a counterpart of this Agreement by facsimile shall also deliver a manually executed counterpart, but the failure to so deliver a manually executed counterpart shall not affect the validity, enforceability, or binding effect hereof.

SECTION 12.

Termination

Upon the indefeasible payment and performance in full of all Obligations, the security interests created by this Agreement shall terminate and the Purchasers (at the Grantors' expense) shall promptly execute and deliver to the Grantors such documents and instruments reasonably requested by the Grantors as shall be necessary to evidence termination of all such security interests given by the Grantors to Purchasers hereunder, including cancellation of this Agreement by written notice from Purchasers to the Trademark Office.

SECTION 13

No Inconsistent Requirements

Each Grantor acknowledges that this Agreement and the other documents, agreements and instruments entered into or executed in connection herewith may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and each Grantor agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.

SECTION 14

Severability

If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

SECTION 15

Notices

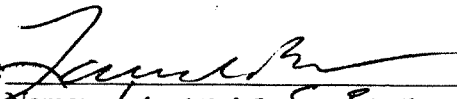
All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Purchase Agreement.

[Signature Page Follows]

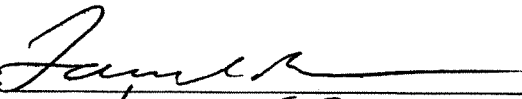
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

GRANTORS:

VISUAL NETWORKS, INC.

By: 
Name: LAWRENCE S. BARKER
Title: CEO

**VISUAL NETWORKS OPERATIONS, INC.
VISUAL NETWORKS INTERNATIONAL
OPERATIONS, INC.
VISUAL NETWORKS TECHNOLOGIES, INC.**

By: 
Name: LAWRENCE S. BAYLOR
Title: PRESIDENT

PURCHASERS:

**SPECIAL SITUATIONS FUND III, L.P.
SPECIAL SITUATIONS CAYMAN FUND, L.P.
SPECIAL SITUATIONS PRIVATE EQUITY FUND, L.P.
SPECIAL SITUATIONS TECHNOLOGY FUND, L.P.
SPECIAL SITUATIONS TECHNOLOGY FUND II, L.P.**

By: _____
Name: Austin W. Marx
Title: General Partner

SCHEDULE A
to the Trademark Security Agreement
(See Attached)

Grantor: []

TRADEMARK REGISTRATIONS

Trademarks owned by Grantors:

| <u>Trademark Description</u> | <u>U.S. Registration No.</u> | <u>Date Registered</u> |
|------------------------------|------------------------------|------------------------|
| | | |

SCHEDULE B
to the Trademark Security Agreement

(See Attached)

Grantor: []

TRADEMARK APPLICATIONS

Trademark Application Description

U.S. Application No.

Date Applied

Registered Trademarks

U.S. Trademarks:

| Registration No. | Mark |
|------------------|-------------------------------|
| 2,009,418 | VISUAL UPTIME |
| 2,122,626 | VISUAL NETWORKS |
| 2,224,976 | BURST ADVISOR |
| 2,477,263 | EWATCHER |
| 2,497,464 | TRINITY |
| 2,629,056 | VISUAL NETWORKS and design |
| 2,936,742 | VISUAL IP INSIGHT |
| 2,248,906 (*) | MEASUREMENTS THAT MATTER |
| 2,304,103 (*) | INVERSE IP INSIGHT |
| 2,389,211 (*) | INVERSE IP INSIGHT |
| 2,203,246 (*) | AVESTA TECHNOLOGIES |
| 2,115,387 (*) | IWATCHER |

Note:

- * Visual has abandoned use of this mark. Visual did not or does not intend to file a declaration of use for this mark. Accordingly, the PTO will cancel this mark in due course.

Pending U.S. Trademarks:

| Application No. | Mark |
|-----------------|-------------------|
| 76/139,116 | VISUAL IP INSIGHT |

Foreign Trademarks:

| Country | Regist'n No. | Mark |
|-----------------------|---------------------|-----------------|
| Canada | 490358 | VISUAL UPTIME |
| Canada | 523933 | BURST ADVISOR |
| Canada | 542988 | VISUAL NETWORKS |
| European Community | 393546 | VPOP |
| European Community | 393512 | VISUAL NETWORKS |
| European Community | 393504 | VISUAL UPTIME |
| European Community | 001282102 | MAKE IT VISUAL |
| European Community | 393561 | BURST ADVISOR |

ASSUMPTION AGREEMENT, dated as of August 8, 2005, made by Visual Networks Operations, Inc., Visual Networks International Operations, Inc. and Visual Networks Technologies, Inc. (each, an "Additional Grantor"), in favor of the Purchasers named on the signature pages to the Trademark Security Agreement (as defined below) (the "Purchasers") of \$ in aggregate principal amount of the 5% Senior Secured Convertible Notes (collectively, the "Notes") issued by Visual Networks, Inc. (the "Borrower") to the Purchasers pursuant to the terms of a Purchase Agreement, dated August 5, 2005 (the "Purchase Agreement"), by and between the Borrower and the Purchasers. All capitalized terms not defined herein shall have the meaning ascribed to them in the Purchase Agreement and the Notes.

WITNESSETH:

WHEREAS, the Grantors have entered into the Trademark Security Agreement dated as of August 8, 2005 (as it may be amended, supplemented or otherwise modified from time to time, the "Trademark Security Agreement") in favor of the Purchasers; and

WHEREAS, the Additional Grantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Trademark Security Agreement;

NOW, THEREFORE, IT IS AGREED:

1. **Trademark Security Agreement**. By executing and delivering this Assumption Agreement, the Additional Grantor, as provided in Section 10 of the Trademark Security Agreement, hereby becomes a party to the Trademark Security Agreement as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Grantor thereunder.

2. **Representations and Warranties Concerning Grantor's Legal Status**. The Additional Grantor has previously delivered to the Purchasers a certificate signed by the Additional Grantor and entitled "Perfection Certificate" (the "Perfection Certificate"). The Additional Grantor represents and warrants to the Purchasers as follows: (a) the Additional Grantor's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof, (b) the Additional Grantor is an organization of the type and organized in the jurisdiction set forth in the Perfection Certificate, (c) the Perfection Certificate accurately sets forth the Additional Grantor's organizational identification number or accurately states that the Additional Grantor has none, (d) the Perfection Certificate accurately sets forth the Additional Grantor's place of business or, if more than one, its chief executive office as well as the Additional Grantor's mailing address if different (e) all other information set forth on the Perfection Certificate pertaining to the Grantor is accurate and complete including but not limited to information pertaining to trademarks and (f) each of the representations and warranties

contained in the Transaction Documents relating to the Additional Grantor are true and correct on and as the date hereof (after giving effect to this Assumption Agreement) as if made on and as of such date.

3. Governing Law. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. WITHOUT IN ANY WAY LIMITING THE PRECEDING CHOICE OF LAW, THE UNDERSIGNED (AND BY THEIR ACCEPTANCE HEREOF, THE PURCHASERS) ELECTS TO BE GOVERNED BY NEW YORK LAW IN ACCORDANCE WITH, AND ARE RELYING (AT LEAST IN PART) ON SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, AS AMENDED, OR ANY CORRESPONDING OR SUCCEEDING PROVISIONS THEREOF

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

**VISUAL NETWORKS OPERATIONS, INC.
VISUAL NETWORKS INTERNATIONAL
OPERATIONS, INC.
VISUAL NETWORKS TECHNOLOGIES, INC.**

By: _____
Name: *LAWRENCE S. BARKER*
Title: *PRESIDENT*