Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:

Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1456

11/24/2006 HJ

01 FC:8521

02 FC:8522

40.00 OP 100.00 OP

TRADEMARK
REEL: 003442 FRAME: 0144

GRANT OF SECURITY INTEREST TRADEMARKS

THIS GRANT OF SECURITY INTEREST, dated as of March 22, 2006, is executed by ISILON SYSTEMS, INC., a Delaware corporation with an address of 220 W. Mercer Street, Seattle, Washington 98119 ("Debtor"), in favor of HORIZON TECHNOLOGY FUNDING COMPANY LLC, a Delaware limited liability company with an address of 76 Batterson Park Road, Farmington, Connecticut 06032 ("Secured Party").

- A. Pursuant to a certain Venture Loan and Security Agreement, dated as of the date hereof (the "Agreement") by and between Debtor and the Secured Party, the Secured Party has agreed to extend certain credit facilities to Debtor upon the terms and subject to the conditions set forth therein;
- B. Debtor owns the registered trademarks, service marks (and applications and registrations therefor), of the United States, more particularly described on <u>Schedules 1-A and 1-B</u> annexed hereto as part hereof (collectively, the "<u>Trademarks</u>");
- C. Pursuant to the Agreement, Debtor has granted to Secured Party a security interest in all right, title and interest of Debtor in and to the Trademarks, together with associated goodwill, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof for the full term of the Trademarks (the "Collateral"), to secure the prompt payment, performance and observance of the Obligations (as defined in the Agreement);

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Debtor does hereby further grant to Secured Party a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Collateral granted hereby are more fully set forth in the Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

IN WITNESS WHEREOF, Debtor has caused this instrument to be executed as of the day and year first written above.

ISILON SYSTEMS, INC.

By: Du Hall Name: Steve Goldman

Title:

C91

TRADEMARK REEL: 003442 FRAME: 0145

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST

TRADEMARKS

Trademark	Owner	Registration Number	Registration Date
ISILON	Isilon Systems, Inc	2,657,187	12/3/02
ISILON SYSTEMS	Isilon Systems, Inc	2,657,188	12/3/02
ONEFS	Isilon Systems, Inc	2,994,659	9/13/05

-2-

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST

TRADEMARK APPLICATIONS

Trademark Application	Owner	Application Number	Application Date
SYNCIQ	Isilon Systems, Inc.	78/425,173	5/26/04
TRUESCALE	Isilon Systems, Inc.	78/812,561	2/10/06
ISILON	Isilon Systems, Inc	A0002689	9/29/05
		(Madrid Protocol: Australia, China, CTM, Japan, Korea, Singapore)	
ISILON	Isilon Systems, Inc	1274800	In process
		(Canada)	
ISILON SYSTEMS	Isilon Systems, Inc	A0002698	9/29/05
		(Madrid Protocol: Australia, China, CTM, Japan, Korea, Singapore)	
ISILON SYSTEMS	Isilon Systems, Inc	1274801	In process
		(Canada)	
ONEFS	Isilon Systems, Inc	A0002699	9/29/05
		(Madrid Protocol: Australia, China, CTM, Japan, Korea, Singapore)	
ONEFS	Isilon Systems, Inc	1274803	In process
		(Canada)	
SYNCIQ	Isilon Systems, Inc	A0002700	9/29/05
		(Madrid Protocol: Australia, China, CTM, Japan, Korea, Singapore)	
SYNCIQ	Isilon Systems, Inc	1274802	In process
		(Canada)	

-3-

S:\Legal\Deals\Isilon Systems\Grant of Security Interest Trademark Isilon 3 6 06 (2).doc (2857)

RECORDED: 11/22/2006

TRADEMARK REEL: 003442 FRAME: 0147