

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
FOLIOfn, Inc.		01/12/2007	CORPORATION: VIRGINIA

RECEIVING PARTY DATA	
Name:	Mr Alfred Moses
Street Address:	7710 Georgetown Pike
City:	McLean
State/Country:	VIRGINIA
Postal Code:	22102
Entity Type:	INDIVIDUAL:

PROPERTY NUMBERS Total: 26

Property Type	Number	Word Mark
Registration Number:	2679964	DELIVER MORE EFFICIENTLY
Registration Number:	2857168	FOLIO ADVISOR
Registration Number:	2808508	FOLIO ALLOCATOR
Registration Number:	2646466	FOLIO INVESTING
Registration Number:	3109610	FOLIO LOADER
Registration Number:	2908830	FOLIO MANAGED ACCOUNTS
Registration Number:	2891526	FOLIO MANAGER
Registration Number:	2897184	FOLIO WIZARD
Registration Number:	2709678	FOLIOFN
Registration Number:	2589345	FOLIOFN
Registration Number:	2891515	FOLIOFN INSTITUTIONAL
Registration Number:	2689010	FOLIOFN
Registration Number:	2689009	FOLIOFN
Registration Number:	2940323	FOLIOFN WHAT'S NEXT

CH \$665.00 2679964

Registration Number:	2679477	FOLIOFN WHAT'S NEXT
Registration Number:	2663525	FOLIOTRADE
Registration Number:	2869537	FOLIOVOTE
Registration Number:	3069543	PROXY GOVERNANCE, INC.
Serial Number:	76052638	FOLIO
Serial Number:	76261099	FOLIO BUILDER
Serial Number:	76261098	FOLIO TALK
Serial Number:	76200200	FOLIO(K)
Serial Number:	76200234	FOLIOFN WIZARD
Serial Number:	76029759	FOLIOTRADING
Serial Number:	76029758	FOLIOTRADING
Serial Number:	76130045	STOP GUESSING. START INVESTING.

CORRESPONDENCE DATA

Fax Number: (202)778-5224
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Email: tstringer@cov.com
Correspondent Name: Thaddeus Stringer
Address Line 1: 1201 Pennsylvania Avenue, NW
Address Line 4: Washington, DISTRICT OF COLUMBIA 20004

ATTORNEY DOCKET NUMBER:	31139.101
NAME OF SUBMITTER:	Thaddeus Stringer
Signature:	/Thaddeus Stringer/
Date:	01/19/2007

Total Attachments: 30

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PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (this "Security Agreement") is entered into as of January 12, 2007, by and between FOLIO*fn*, Inc., a Virginia corporation (the "Debtor"), and Alfred H. Moses, an individual residing in the Commonwealth of Virginia (the "Secured Party").

PRELIMINARY STATEMENTS

The Secured Party and the Debtor have entered into a Loan Agreement of even date herewith (the "Loan Agreement"), pursuant to which the Secured Party has agreed to provide financing to the Debtor. To induce the Secured Party to enter into the Loan Agreement with the Debtor, the Debtor has agreed to enter into this Security Agreement on the terms set forth herein. The execution and delivery by the Debtor of this Security Agreement is one of the conditions to the willingness of the Secured Party to enter into the Loan Agreement with the Debtor.

ACCORDINGLY, the Debtor and the Secured Party hereby agree as follows:

ARTICLE I -- DEFINITIONS

1.1. Terms Defined in Virginia Uniform Commercial Code. Terms defined in Title 8.9A of the Virginia UCC that are not otherwise defined in this Security Agreement are used herein as defined in the Virginia UCC.

1.2. Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statements or Title 8.9A of the Virginia UCC, the following terms shall have the following meanings:

"Article" means a numbered article of this Security Agreement, unless another document is specifically referenced in connection therewith.

"Collateral" means all Accounts, Chattel Paper, Commercial Tort Claims, Documents, Equipment, Fixtures, General Intangibles, Instruments, Inventory, Investment Property, Pledged Deposits, and Other Collateral, wherever located, in which the Debtor now has or hereafter acquires any right or interest, and the proceeds (including Stock Rights), insurance proceeds and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto.

"Commercial Tort Claims" means those certain currently existing commercial tort claims of the Debtor specifically described in Exhibit F.

"Control" shall have the meaning set forth in Title 8.8A or, if applicable, in Section 8.9A-104, 8.9A-105, 8.9A-106 or 8.9A-107, of the Virginia UCC.

“Default” means an event described in Section 5.1.

“Exhibit” refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

“GAAP” means generally accepted accounting principles in the United States of America, consistently applied for the periods presented.

“Indebtedness” shall have the meaning set forth in the Loan Agreement.

“Intellectual Property” means trademarks, copyrights, patents, and applications therefor.

“JNL Loan” shall have the meaning set forth in the Loan Agreement.

“Liens” means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including the interest of a vendor or lessor under any conditional sale, capitalized lease or other title retention agreement).

“Loan Agreement” shall have the meaning set forth in the Preliminary Statements to this Security Agreement.

“Loan Documents” shall have the meaning set forth in the Loan Agreement.

“Obligations” shall have the meaning set forth in the Loan Agreement.

“Other Collateral” means any property of a Debtor not constituting Accounts, Chattel Paper, Commercial Tort Claims, Documents, Equipment, Fixtures, General Intangibles, Instruments, Inventory, Investment Property or Pledged Deposits under the Virginia UCC, including all cash on hand, letter-of-credit rights, letters of credit, Stock Rights and Deposit Accounts or other deposits (general or special, time or demand, provisional or final) with any bank or other financial institution, it being intended that the Collateral include all property of the Debtor.

“Permitted Liens” shall mean, collectively, the following:

- (i) Liens for taxes, assessments or governmental charges or levies on its property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves are made in accordance with generally accepted accounting principles.
- (ii) Liens imposed by law, such as carriers’, warehousemen’s and mechanics’ liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than 60 days past due.

- (iii) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.
- (iv) utility easements, building restrictions and such other encumbrances or charges against real property as are of a nature generally existing with respect to properties of a similar character and which do not in any material way affect the marketability of the same or interfere with the use thereof in the business of the Debtor.
- (v) Liens permitted under Section 5.3(c) or 5.3(d) of the Loan Agreement or Liens for Indebtedness that by their terms are subordinate to the Liens of the Secured Party hereunder or are subject to an intercreditor agreement satisfactory to the Secured Party.
- (vi) Liens created by this Security Agreement.

"Person" means any natural person, corporation, firm, joint venture, partnership, association, limited liability company, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

"PGI" shall have the meaning set forth in the Loan Agreement.

"Pledged Deposits" means all time deposits of money (other than Deposit Accounts and Instruments), whether or not evidenced by certificates, which the Debtor may from time to time designate as pledged to the Secured Party as security for any Obligation, and all rights to receive interest on said deposits.

"Receivables" means the Accounts, Chattel Paper, Documents, Investment Property, Instruments or Pledged Deposits, and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

"Section" means a numbered section of this Security Agreement, unless another document is specifically referenced in connection therewith.

"Secured Obligations" means all Obligations and any and all existing and future Indebtedness, obligation and liability of every kind, nature and character, direct or indirect, absolute or contingent (including all renewals, extensions and modifications thereof and all fees, costs and expenses incurred by the Secured Party in connection with the preparation, administration, collection or enforcement thereof), of the Debtor to the Secured Party, whether arising under or pursuant to this Security Agreement, the Loan Agreement or otherwise.

"Security" shall have the meaning set forth in Title 8.8A of the Virginia UCC.

"Stock Rights" means any securities, dividends or other distributions and any other right (including voting rights and rights to control or direct the affairs of such Person) or property which the Debtor shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any securities or other ownership interests

in a corporation, partnership, joint venture or limited liability company constituting Collateral and any securities, any right to receive securities and any right to receive earnings, in which the Debtor now has or hereafter acquires any right, issued by an issuer of such securities.

“Subsidiary” shall have the meaning set forth in the Loan Agreement.

“Unmatured Default” means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

“Virginia UCC” means the Virginia Uniform Commercial Code, Titles 8.1A through 8.9A of the Code of Virginia, as in effect from time to time.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II -- GRANT OF SECURITY INTEREST

The Debtor hereby pledges, assigns and grants to the Secured Party a security interest in all of the Debtor’s right, title and interest in and to the Collateral to secure the prompt and complete payment and performance of the Secured Obligations.

ARTICLE III -- REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party that:

3.1. Title, Authorization, Validity and Enforceability. The Debtor has good and valid rights in or, upon repayment of all amounts owed under the JNL Loan, the power to transfer the Collateral, and title to the Collateral, with respect to which it has granted a security interest hereunder, free and clear of all Liens except for Permitted Liens and the Lien securing the JNL Loan, which shall be released upon repayment of all amounts owed under the JNL Loan with the proceeds of the Loan, and has full power and authority to grant to the Secured Party the security interest in such Collateral pursuant hereto. The execution and delivery by the Debtor of this Security Agreement has been duly authorized by proper corporate proceedings, and this Security Agreement constitutes a legal, valid and binding obligation of the Debtor and creates a security interest which is enforceable against the Debtor in all now owned and hereafter acquired Collateral. When financing statements have been filed in the appropriate offices against the Debtor in the locations listed on Exhibit E, the Secured Party will have, upon repayment of all amounts owed under the JNL Loan, a fully perfected first priority security interest in (a) that Collateral in which a security interest may be perfected under Virginia law by filing and (b) in that Intellectual Property constituting Collateral in which a security interest may be perfected under federal law by filing, in the case of each (a) and (b), subject only to Permitted Liens.

3.2. Conflicting Laws and Contracts. Neither the execution and delivery by the Debtor of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Debtor or the Debtor’s articles or certificate of incorporation or by-laws, the provisions of any indenture and, upon repayment of all amounts owed under the JNL Loan, any instrument or

agreement, to which the Debtor is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture or, upon repayment of all amounts owed under the JNL Loan, any such instrument or agreement (other than any Lien of the Secured Party).

3.3. Type and Jurisdiction of Organization. The Debtor is a corporation organized under the laws of the Commonwealth of Virginia.

3.4. Principal Location. The Debtor's mailing address and the location of its place of business (if it has only one) or its chief executive office (if it has more than one place of business) is disclosed in Exhibit A; the Debtor has no other places of business except those set forth in Exhibit A.

3.5. Property Locations. All material Inventory, Equipment and Fixtures are located solely at the locations described in Exhibit A. All of said locations are owned by the Debtor except for locations (i) which are leased by the Debtor as lessee and designated in Part B of Exhibit A and (ii) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Part C of Exhibit A, with respect to which Inventory the Debtor has delivered bailment agreements, warehouse receipts, financing statements and/or other documents satisfactory to the Secured Party to protect the Secured Party's security interest in such Inventory.

3.6. No Other Names. Except as identified on Exhibit A, the Debtor has not conducted business under any name, except the name in which it has executed this Security Agreement, which is the exact name as it appears in the Debtor's organizational documents, as amended, as filed with the Debtor's jurisdiction of organization.

3.7. No Default. No Default or Unmatured Default exists.

3.8. Accounts and Chattel Paper. The names of the obligors, amounts owing, due dates and other information with respect to the Accounts and Chattel Paper of the Debtor are and will be correctly stated in all records of the Debtor relating thereto and in all invoices and reports with respect thereto furnished to the Secured Party by the Debtor from time to time as required under the Loan Documents. As of the time when each Account or each item of Chattel Paper arises, the Debtor shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all respects what they purport to be.

3.9. Filing Requirements. None of the Equipment is covered by any certificate of title, except for the vehicles described in Part A of Exhibit B. To the knowledge of Debtor, none of the Collateral is of a type for which security interests or Liens may be perfected by filing under any U.S. federal statute except for (i) the vehicles described in Part B of Exhibit B and (ii) patents, trademarks and copyrights held by the Debtor and described in Part C of Exhibit B. The legal description, county and street address of the property on which any Fixtures are located is set forth in Exhibit C, together with the name and address of the record owner of each such property.

3.10. No Financing Statements. Upon the termination of any financing statements filed against the Debtor in connection with the JNL Loan, no financing statement describing all or any portion of the Collateral which has not lapsed or been terminated naming the Debtor as debtor will have been filed in any jurisdiction except (i) financing statements naming the Secured Party as the secured party and (ii) in connection with Permitted Liens.

3.11. Federal Employer Identification Number. The Debtor's Federal employer identification number is set forth on Exhibit A.

3.12. State Organization Number. The Debtor's State organization number is set forth on Exhibit A.

3.13. Pledged Securities and Other Investment Property. Exhibit D sets forth a complete and accurate list of the Instruments, Securities and other Investment Property constituting Collateral, all of which have been delivered to the Secured Party. The Debtor is the direct and beneficial owner of each Instrument, Security and other type of Investment Property listed on Exhibit D as being owned by it, free and clear of any Liens, except for Permitted Liens and, prior to the repayment of all amounts owed under the JNL Loan, any Lien established on such Collateral in connection therewith.

ARTICLE IV -- COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated, the Debtor covenants and agrees as follows:

4.1. General.

4.1.1 Inspection. The Debtor will permit the Secured Party, by its representatives and agents, no more than three times annually (unless there is a Default, in which case the Secured Party shall have unlimited opportunities) subject to financial privacy laws and necessary confidentiality relating to specific business terms, (i) to inspect the Collateral, (ii) to examine and make copies of the records of the Debtor relating to the Collateral and (iii) to discuss the Collateral and the related records of the Debtor with, and to be advised as to the same by, the Debtor's officers and employees (and, following the occurrence of any Default, in the case of any Receivable, with any Person which is or may be obligated thereon), all at such reasonable times and intervals as the Secured Party may determine, and all at the Secured Party's reasonable expense, unless a Default shall have occurred in which case the expenses of such investigations shall be borne by the Debtor.

4.1.2 Taxes. The Debtor will pay when due all taxes, assessments and governmental charges and levies upon the Collateral, except those which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been set aside in accordance with GAAP; provided, that the Debtor shall in any event pay such taxes, assessments and governmental charges and levies not later than five (5) days prior to the date of any proposed sale under any judgment, writ, or warrant of attachment entered or filed against the Debtor or any of the Collateral as a result of the failure to make such payment.

4.1.3 Records and Reports. The Debtor will maintain complete and accurate books and records with respect to the Collateral, and furnish to the Secured Party such reports relating to the Collateral as the Secured Party shall from time to time reasonably request.

4.1.4 Financing Statements and Other Actions; Defense of Title. The Debtor hereby authorizes the Secured Party to file, and if requested will execute and deliver to the Secured Party, all financing statements and other documents, and take such other actions as may from time to time be reasonably requested by the Secured Party in order to maintain a perfected security interest in and, if applicable, Control of, the Collateral, subject only to Permitted Liens. The Debtor will take any and all actions necessary to defend title to the Collateral against all Persons and to defend the security interest of the Secured Party in the Collateral and the priority thereof against any Lien not expressly permitted hereunder. Without limiting the generality of the foregoing, the Debtor shall, immediately upon repayment of all amounts owed under the JNL Loan, use its best efforts to cause UCC-3 termination statements to be filed with respect to any financing statements filed against the Debtor in connection with the JNL Loan.

4.1.5 Disposition of Collateral. The Debtor shall not sell, lease, transfer or otherwise dispose of the Collateral except (i) sales or leases of Inventory or Equipment in the ordinary course of business; (ii) proceeds of Accounts collected and disbursed in the ordinary course of business; (iii) non-exclusive licensing or, with the prior written consent of the Secured Party, which consent shall not be unreasonably withheld, exclusive licensing, of the Debtor's Intellectual Property for reasonable value; (iv) leases of real property in accordance with the limitations and procedures set forth in Section 4.1.7; (v) sales of the Securities of PGI in a transaction effected in satisfaction of the Debtor's obligations under Section 7.6 of the Loan Agreement; and (vi) other ordinary course transactions permitted under the Loan Agreement.

4.1.6 Liens. The Debtor will not create, incur, or suffer to exist any Lien on the Collateral except the Permitted Liens.

4.1.7 Change in Corporate Existence, Type or Jurisdiction of Organization, Location, Name. Subject to the restrictions imposed on the Debtor under Article V of the Loan Agreement, the Debtor will:

- (i) preserve its existence as a corporation and not, in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets;
- (ii) not transfer any Collateral to any Subsidiary, other than the transfer of cash to FOLIO^{fn} Investments, Inc. or PGI in the ordinary course of conduct between the Debtor and such Subsidiary to support the business and operations of such Subsidiary;
- (iii) not change its jurisdiction of organization;
- (iv) not maintain its place of business (if it has only one) or its chief executive office (if it has more than one place of business) at a location other than a location specified on Exhibit A;

- (v) not (i) have any material amount of Inventory, Equipment or Fixtures or proceeds or products thereof (other than Inventory and proceeds thereof disposed of as permitted by Section 4.1.5) at a location other than a location specified in Exhibit A, (ii) change its name or taxpayer identification number or (iii) change its mailing address; and
- (vi) not transfer the registration of the domain name "foliofn.com" to a registrar other than godaddy.com;

unless the Debtor shall have given the Secured Party not less than 30 days' prior written notice of such event or occurrence. Prior to any action by the Debtor that would constitute an event or occurrence under Section 4.1.7(i) or Section 4.1.7(iv) or any other event or occurrence by the Debtor described under this Section 4.1.7 that would result in any Collateral moving out of the Commonwealth of Virginia, the Secured Party shall have either (x) reasonably determined that such event or occurrence will not adversely affect the validity, perfection or priority of the Secured Party's security interest in the Collateral, or (y) at the Debtor's expense, taken such steps (with the cooperation of the Debtor, if requested by the Secured Party) as are necessary or advisable to properly maintain the validity, perfection and priority of the Secured Party's security interest in the Collateral.

4.1.8 Other Financing Statements. The Debtor will not sign or authorize the signing on its behalf or the filing of any financing statement naming it as debtor covering all or any portion of the Collateral, except in connection with Permitted Liens.

4.2. Receivables.

4.2.1 Certain Agreements on Receivables. The Debtor will not make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of a Default, the Debtor may reduce the amount of Accounts arising from the sale of Inventory or the rendering of services in accordance with its present policies and in the ordinary course of business.

4.2.2 Collection of Receivables. Except as otherwise provided in this Security Agreement, the Debtor will collect and enforce, at the Debtor's sole expense, all amounts due or hereafter due to the Debtor under the Receivables in accordance with the Debtor's normal collection policies and procedures.

4.2.3 Delivery of Invoices. The Debtor will deliver to the Secured Party, immediately upon its request after the occurrence of a Default, duplicate invoices with respect to each Account bearing such language of assignment as the Secured Party shall reasonably specify.

4.2.4 Disclosure of Counterclaims on Receivables. If (i) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on a material Receivable exists outside the ordinary course of business or (ii) to the knowledge of the Debtor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to a

material Receivable, the Debtor will disclose such fact to the Secured Party in writing on a quarterly basis.

4.3. Inventory and Equipment.

4.3.1 Maintenance of Goods. The Debtor will do all things necessary to maintain, preserve, protect and keep the Inventory and the Equipment in good repair and working and saleable condition, ordinary wear and tear excepted.

4.3.2 Insurance. The Debtor will carry such insurance as is required pursuant to the Loan Agreement.

4.3.3 Titled Vehicles. The Debtor will give the Secured Party notice of its acquisition of any vehicle covered by a certificate of title and deliver to the Secured Party, upon request, the original of any vehicle title certificate and do all things necessary to have the Lien of the Secured Party noted on any such certificate.

4.4. Instruments, Securities, Chattel Paper, Documents and Pledged Deposits. The Debtor will (i) deliver to the Secured Party immediately upon execution of this Security Agreement the originals of all Chattel Paper, Securities and Instruments constituting Collateral (if any then exist), (ii) hold in trust for the Secured Party upon receipt and immediately thereafter deliver to the Secured Party any Chattel Paper, Securities and Instruments constituting Collateral received by the Debtor following the date hereof, (iii) upon the designation of any Pledged Deposits (as set forth in the definition thereof), deliver to the Secured Party such Pledged Deposits which are evidenced by certificates included in the Collateral endorsed in blank, marked with such legends and assigned as the Secured Party shall specify, and (iv) upon the Secured Party's request, after the occurrence and during the continuance of a Default, deliver to the Secured Party (and thereafter hold in trust for the Secured Party upon receipt and immediately deliver to the Secured Party) any Document evidencing or constituting Collateral.

4.5. Uncertificated Securities and Certain Other Investment Property. The Debtor will take any actions necessary to cause (i) the issuers of uncertificated securities which are Collateral and which are Securities and (ii) any financial intermediary which is the holder of any Investment Property, to cause the Secured Party to have and retain Control over such Securities or other Investment Property. Without limiting the foregoing, the Debtor will, with respect to Investment Property held with a financial intermediary, cause such financial intermediary to enter into a control agreement with the Secured Party, in form and substance satisfactory to the Secured Party.

4.6. Stock and Other Ownership Interests.

4.6.1 Registration of Pledged Securities and other Investment Property. The Debtor will permit any registrable Collateral to be registered in the name of the Secured Party or its nominee at any time at the option of the Secured Party.

4.6.2 Exercise of Rights in Pledged Securities and other Investment Property.

- (i) The Debtor will permit the Secured Party or its nominee at any time after the occurrence of a Default, upon written notice to the Debtor, to exercise all voting and corporate rights relating to the Collateral, including exchange, subscription or any other rights, privileges, or options pertaining to any corporate securities or other ownership interests or Investment Property in or of a corporation, partnership, joint venture or limited liability company constituting Collateral and the Stock Rights as if it were the absolute owner thereof. In addition, following the occurrence of a Default, (A) all rights of the Debtor to receive dividends, distributions and other payments in respect of such Collateral shall become vested in the Secured Party, who shall thereupon have the sole right to receive and hold as Collateral such dividends, distributions and other payments; and (B) all such dividends, distributions and other payments in respect of such Collateral which are received by the Debtor contrary to the provisions of clause (A) above shall be received in trust for the benefit of the Secured Party, shall be segregated from other funds of the Secured Party, and shall forthwith be paid over to the Secured Party as Collateral in the same form as so received (with any necessary endorsements).
- (ii) In order to permit the Secured Party to exercise the voting and other consensual rights which it may be entitled to exercise pursuant to Section 4.6.2 and to receive any sums which it may be entitled to receive under this Section 4.6.2, (A) the Debtor shall, upon the occurrence of a Default, promptly execute and deliver (or cause to be executed and delivered) to the Secured Party all such proxies, dividend payment orders, and other instruments as the Secured Party may from time to time reasonably request, and (B) without limiting the effect of the immediately preceding clause (A), the Debtor hereby grants to the Secured Party an irrevocable proxy, which may be exercised upon and during the continuance of a Default, to vote the Securities and other Investment Property constituting Collateral and to exercise all other rights, powers, privileges, and remedies to which a holder of such interests would be entitled (including giving or withholding written consents of stockholders, calling special meetings of stockholders, and voting at such meetings), which proxy shall be effective, automatically and without the necessity of any action by any other Person.

4.7. Pledged Deposits. Upon occurrence and during the continuance of any event of Default, the Debtor will not withdraw all or any portion of any Pledged Deposit without the prior written consent of the Secured Party.

4.8. Deposit Accounts. The Debtor will (i) upon the Secured Party's request, cause each bank or other financial institution in which it maintains a Deposit Account to enter into a control agreement with the Secured Party, in form and substance satisfactory to the Secured Party, in order to give the Secured Party Control of the Deposit Account and (ii) upon the Secured Party's request after the occurrence and during the continuance of a Default, deliver to each such bank or other financial institution a letter, in form and substance acceptable to the Secured Party, transferring ownership of the Deposit Account to the Secured Party until such time as no Default exists.

4.9. Letter-of-Credit Rights. The Debtor will, upon the Secured Party's request, cause each issuer of a letter of credit to consent to the assignment of proceeds of the letter of credit in order to give the Secured Party Control of the letter-of-credit rights to such letter of credit.

4.10. Federal, State or Municipal Claims. The Debtor will notify the Secured Party of any Collateral which constitutes a claim against the United States government or any state or local government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal, state or municipal law.

4.11. Intellectual Property.

4.11.1 If, after the date hereof, the Debtor obtains rights to, or applies for or seeks registration of, any new patentable invention, trademark or copyright used in the business of the Debtor or any of its Subsidiaries in addition to the patents, trademarks and applications therefor and registered copyrights described in Part C of Exhibit B, which are all of the Debtor's patents, trademarks and applications therefor and registered copyrights as of the date hereof, then the Debtor shall give the Secured Party notice thereof on a quarterly basis, and the security interest granted to the Secured Party hereunder shall automatically apply thereto. The Debtor agrees promptly upon request by the Secured Party to execute and deliver to the Secured Party any supplement to this Security Agreement or any other document reasonably requested by the Secured Party to evidence such security interest in a form appropriate for recording in the applicable federal office. The Debtor also hereby authorizes the Secured Party to modify this Security Agreement unilaterally (i) by amending Part C of Exhibit B to include any future patents, trademarks and applications therefor and registered copyrights, regardless of whether the Secured Party receives notification from the Debtor with respect thereto, and (ii) by recording, in addition to and not in substitution for this Security Agreement, a duplicate original of this Security Agreement containing in Part C of Exhibit B a description of such future patents, trademarks and applications therefor and registered copyrights.

4.11.2 The Debtor shall cause its employees, officers and consultants to execute and deliver to and in favor of the Debtor an agreement regarding the protection of confidential and proprietary information and the assignment to the Company of all Intellectual Property arising from the services performed for the Debtor by such Persons, consistent with the Debtor's practices as of the date hereof, and shall use its reasonable best efforts to enforce its rights under such agreements.

4.12. Commercial Tort Claims. If, after the date hereof, the Debtor identifies the existence of a commercial tort claim belonging to the Debtor that has arisen in the course of the Debtor's business in addition to the commercial tort claims described in Exhibit F, which are all of the Debtor's commercial tort claims as of the date hereof, then the Debtor shall give the Secured Party notice thereof on a quarterly basis. The Debtor agrees promptly upon request by the Secured Party to execute and deliver to the Secured Party any supplement to this Security Agreement or any other document reasonably requested by the Secured Party to evidence the grant of a security interest therein in favor of the Secured Party.

4.13. Escrow Agreement. If, after the date hereof, the Secured Party requests that the Debtor enter into an escrow agreement to provide for the retention, administration and controlled

access of any proprietary software or, provided it would prevent the Debtor from being able to have such domain name registered with an EV certificate for IE7 or any similar type of certificate, any domain name owned by or registered to the Debtor, including source code and documentation thereto and the domain name "foliofn.com," the Debtor and Secured Party shall enter into any such reasonable escrow agreement with an independent escrow agent selected by Secured Party. The Secured Party agrees that it will bear all expenses in connection with the preparation, execution, delivery, administration, collection, and enforcement of any such escrow agreement.

4.14. Asset Protection Agreement. The Debtor shall cause FOLIOfn Investments and PROXY Governance, Inc. to enter into an asset protection agreement, which agreement(s) will have the effect of reasonably protecting the interests of the Secured Party.

ARTICLE V -- DEFAULT

5.1. The occurrence of any one or more of the following events shall constitute a Default:

5.1.1 Any representation or warranty made by or on behalf of the Debtor under or in connection with this Security Agreement shall be materially false as of the date on which made.

5.1.2 The breach by the Debtor of any of the terms or provisions of Sections 4.1.4, 4.1.5, 4.1.6 or 4.1.7 or Article VII that may reasonably be expected to cause any material damage to the Secured Party or the Secured Party's security hereunder.

5.1.3 The breach by the Debtor (other than a breach which constitutes a Default under Sections 5.1.1 or 5.1.2) of any of the terms or provisions of this Security Agreement which is not remedied within 10 business days after the giving of written notice thereof to the Debtor by the Secured Party.

5.1.4 Any material portion of the Collateral shall be transferred or otherwise disposed of, either voluntarily or involuntarily, in any manner not permitted by Section 4.1.5 or 8.7 or as permitted under the Loan Agreement, or shall be lost, stolen, damaged or destroyed without adequate insurance covering such loss, to the extent reasonably be expected to cause any material damage to the Secured Party or the Secured Party's security hereunder.

5.1.5 The declaration by the holder(s) thereof, without the consent or request of the Debtor, of material Indebtedness (other than accounts payable, which will be paid by the Debtor on terms customary to the Debtor's industry) of the Debtor to be due, prepaid or repurchased (other than by a regularly scheduled payment or specified mandatory prepayment) prior to its stated maturity or any commitment to lend thereunder to be terminated prior to its stated expiration date due to the occurrence of a default (however characterized) by the Debtor thereunder.

5.1.6 The occurrence of any default under the Loan Agreement or any other Loan Document that is not remedied within the applicable notice and cure period, if any.

5.2. Acceleration and Remedies. Upon the occurrence and during the continuance of a Default, the Secured Obligations shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and the Secured Party may exercise any or all of the following rights and remedies:

5.2.1 Those rights and remedies provided in this Security Agreement; provided, that this Section 5.2.1 shall not be understood to limit any rights or remedies expressly available to the Secured Party prior to a Default.

5.2.2 Those rights and remedies available to a secured party under the Virginia UCC (whether or not the Virginia UCC applies to the affected Collateral) or under any other applicable law when a debtor is in default under a security agreement.

5.2.3 Without notice, except as specifically provided in Section 8.1 or elsewhere herein, sell, lease, assign, grant an option or options to purchase or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as the Secured Party may deem commercially reasonable.

The Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, and such compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

5.3. Debtor's Obligations Upon Default. Upon the request of the Secured Party after the occurrence of a Default, the Debtor will:

5.3.1 Assembly of Collateral. Assemble and make available to the Secured Party the Collateral and all records relating thereto at any place or places specified by the Secured Party.

5.3.2 Secured Party Access. Permit the Secured Party, by the Secured Party's representatives and agents, 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.

5.4. License. The Secured Party is hereby granted a license or other right to use, following the occurrence and during the continuance of a Default, without charge, the Debtor's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, domain names, customer lists and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral, and, following the occurrence and during the continuance of a Default, the Debtor's rights under all licenses and all franchise agreements shall inure to the Secured Party's benefit. In addition, the Debtor hereby irrevocably agrees that the Secured Party may, following the occurrence and during the continuance of a Default, sell any of the Debtor's Inventory directly to any Person, including Persons who have previously purchased the Debtor's Inventory from the Debtor and in connection with any such sale or other enforcement of the Secured Party's rights under this Security Agreement, may sell Inventory which bears any trademark owned by or licensed to the Debtor and any Inventory that is covered by any copyright owned by

or licensed to the Debtor and the Secured Party may finish any work in process and affix any trademark owned by or licensed to the Debtor and sell such Inventory as provided herein.

ARTICLE VI -- WAIVERS, AMENDMENTS AND REMEDIES

No delay or omission of the Secured Party to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Secured Party and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Secured Party until the Secured Obligations have been paid in full.

ARTICLE VII -- PROCEEDS; COLLECTION OF RECEIVABLES

7.1. Collection of Receivables. The Secured Party may at any time after the occurrence and during the continuance of a Default, by giving the Debtor written notice, elect to require that the Receivables be paid directly to the Secured Party. In such event, the Debtor shall, and shall permit the Secured Party to, promptly notify the account debtors or obligors under the Receivables of the Secured Party's interest therein and direct such account debtors or obligors to make payment of all amounts then or thereafter due under the Receivables directly to the Secured Party. Upon receipt of any such notice from the Secured Party, the Debtor shall thereafter hold in trust for the Secured Party all amounts and proceeds received by it with respect to the Receivables and Other Collateral and immediately and at all times thereafter deliver to the Secured Party all such amounts and proceeds in the same form as so received, whether by cash, check, draft or otherwise, with any necessary endorsements. The Secured Party shall hold and apply funds so received as provided by the terms of Section 7.2.

7.2. Application of Proceeds. The proceeds of the Collateral shall be applied by the Secured Party to payment of the Secured Obligations in the following order, unless a court of competent jurisdiction shall otherwise direct:

(a) FIRST, to payment of all reasonable costs and expenses of the Secured Party incurred in connection with the collection and enforcement of the Secured Obligations or of the security interest granted to the Secured Party pursuant to this Security Agreement;

(b) SECOND, to payment of that portion of the Secured Obligations constituting accrued and unpaid interest and fees;

(c) THIRD, to payment of the principal of the Secured Obligations then due and unpaid from the Debtor to the Secured Party;

(d) FOURTH, to payment of any Secured Obligations (other than those listed above) then due and unpaid from the Debtor to the Secured Party; and

(e) FIFTH, the balance, if any, after all of the Secured Obligations have been satisfied, shall be distributed by the Secured Party to the Debtor or at its direction.

ARTICLE VIII -- GENERAL PROVISIONS

8.1. Notice of Disposition of Collateral; Condition of Collateral. Any notice made regarding Collateral shall be deemed reasonable if sent to the Debtor, addressed as set forth in Article IX, at least ten business days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. The Secured Party shall have no obligation to clean-up or otherwise prepare the Collateral for sale.

8.2. Compromises and Collection of Collateral. The Debtor and the Secured Party recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part, and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, the Debtor agrees that the Secured Party may at any time and from time to time, if a Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Secured Party in its reasonable discretion shall determine or abandon any Receivable, and any such action by the Secured Party shall be commercially reasonable so long as the Secured Party acts in good faith based on information known to it at the time it takes any such action.

8.3. Secured Party Performance of Debtor Obligations. Without having any obligation to do so, the Secured Party may perform or pay any obligation which the Debtor has agreed to perform or pay in this Security Agreement, and the Debtor shall reimburse the Secured Party for any reasonable amounts paid by the Secured Party pursuant to this Section 8.3. The Debtor's obligation to reimburse the Secured Party pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

8.4. Authorization for Secured Party to Take Certain Action. The Debtor irrevocably authorizes the Secured Party at any time and from time to time in the reasonable discretion of the Secured Party and appoints the Secured Party as its attorney in fact (i) to execute on behalf of the Debtor as debtor and to file financing statements necessary or desirable in the Secured Party's sole discretion to perfect and to maintain the perfection and priority of the Secured Party's security interest in the Collateral; (ii) during and for so long as there exists any Default, to endorse and collect any cash proceeds of the Collateral; (iii) 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 and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Secured Party in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Secured Party's security interest in the Collateral; (iv) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Collateral and which are Securities or with financial intermediaries holding other Investment Property as may be necessary or advisable to give the Secured Party Control over such Securities or other Investment Property; (v) during and for so long as there exists any Default, to enforce payment of the Receivables in the name of the Secured Party or the Debtor; (vi) during and for

so long as there exists any Default, to apply the proceeds of any Collateral received by the Secured Party to the Secured Obligations as provided in Article VII; (vii) during and for so long as there exists any Default, to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder); and (viii) during and for so long as there exists any Default, to obtain, adjust, settle, and cancel insurance policies and endorse any drafts, as provided under Section 4.3.2, and the Debtor agrees to reimburse the Secured Party on demand for any payment made or any expense incurred by the Secured Party in connection therewith; provided, that this authorization shall not relieve the Debtor of any of its obligations under this Security Agreement. Secured Party agrees not to exercise its rights under Section 8.4 (ii) and (v) prior to the occurrence of a Default.

8.5. Specific Performance of Certain Covenants. The Debtor acknowledges and agrees that a breach of any of the covenants contained in this Agreement will cause irreparable injury to the Secured Party and that the Secured Party has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Secured Party to seek and obtain specific performance of other obligations of the Debtor contained in this Security Agreement, that the covenants of the Debtor contained in this Agreement shall be specifically enforceable against the Debtor.

8.6. Use and Possession of Certain Premises. Upon the occurrence and during the continuance of a Default, the Debtor shall permit, and shall use reasonable efforts to cause any applicable landlord to permit, the Secured Party to occupy and use any premises owned or leased by the Debtor where any of the Collateral or any records relating to the Collateral are located until the Secured Obligations are paid or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay the Debtor for such use and occupancy.

8.7. Dispositions Not Authorized. The Debtor is not authorized to sell or otherwise dispose of the Collateral except as set forth in this Agreement or the Loan Agreement and, notwithstanding any course of dealing between the Debtor and the Secured Party or other conduct of the Secured Party, no authorization to sell or otherwise dispose of the Collateral (except as set forth in this Agreement or the Loan Agreement) shall be binding upon the Secured Party unless such authorization is in writing signed by the Secured Party.

8.8. Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective successors and assigns (including all Persons who become bound as a debtor to this Security Agreement), except that the Debtor shall not have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of the Secured Party.

8.9. Survival of Representations and Warranties. All representations and warranties of the Debtor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

8.10. Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Debtor, together with interest and penalties, if any. In the event of a Default, the Debtor shall

reimburse the Secured Party for any and all out-of-pocket expenses (including reasonable attorneys', auditors' and accountants' fees) paid or incurred by the Secured Party after a Default in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral). Any and all costs and expenses incurred by the Debtor in the performance of actions required pursuant to the terms hereof shall be borne solely by the Debtor.

8.11. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

8.12. Termination. This Security Agreement shall continue in effect until the date the Loan Agreement has terminated pursuant to its express terms and all Secured Obligations thereunder have been indefeasibly paid and performed in full thereunder and thereafter shall immediately terminate.

8.13. Entire Agreement. This Security Agreement (inclusive of the Preliminary Statements) embodies the entire agreement and understanding between the Debtor and the Secured Party relating to the Collateral and supersedes all prior agreements and understandings between the Debtor and the Secured Party relating to the Collateral.

8.14. **CHOICE OF LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (BUT OTHERWISE WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS) OF THE COMMONWEALTH OF VIRGINIA.**

8.15. Indemnity. The Debtor hereby agrees to indemnify the Secured Party and its successors, assigns, agents and employees, from and against any and all liabilities, damages, penalties, suits, costs, and expenses of any kind and nature (including all expenses of litigation or preparation therefor if the Secured Party is a party thereto) imposed on, incurred by or asserted against the Secured Party or its successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including latent and other defects, whether or not discoverable by the Secured Party or the Debtor, and any claim for patent, trademark or copyright infringement).

ARTICLE IX -- NOTICES

9.1. Sending Notices. Except as otherwise provided herein, all notices, demands and requests that any party is required or elects to give to any other shall be in writing (including bank wire, facsimile transmission, electronic mail or similar writing) and any such notice shall become effective (a) upon personal delivery thereof, including delivery by overnight mail and courier service; or (b) if given by facsimile transmission or e-mail, when transmitted to the facsimile number or e-mail address, as applicable, specified in this Article and confirmation of

receipt is received, in each case addressed to the party to be notified as follows (provided that no notice to the Secured Party shall be effective until actually received by it):

If to the Debtor:

8000 Towers Crescent Drive
15th Floor
Vienna, VA 22182
Phone: (703) 245-4000
Fax: (703) 245-4942
E-mail: hoganm@foliofn.com
Attention: General Counsel

If to the Secured Party:

1201 Pennsylvania Ave, N.W.
Suite 617
Washington, D.C. 20004
Phone: (202) 662-5196
Fax: (202) 778-5196
E-mail: amoses@cov.com

or, as to any party, to such other address as such party shall designate for itself by like notice to the other parties.

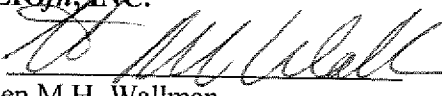
9.2. Change in Address for Notices. Each of the Debtor and the Secured Party may change the address for service of notice upon it by a notice in writing to the other party.

REMAINDER OF PAGE INTENTIONALLY BLANK

IN WITNESS WHEREOF, the Debtor and the Secured Party have executed this Security Agreement as of the date first above written.

DEBTOR:

FOLIOfn, INC.

By: 
Steven M.H. Wallman
Chief Executive Officer

SECURED PARTY:

ALFRED H. MOSES

[SIGNATURE PAGE TO PLEDGE AND SECURITY AGREEMENT]

TRADEMARK
REEL: 003465 FRAME: 0170

IN WITNESS WHEREOF, the Debtor and the Secured Party have executed this Security Agreement as of the date first above written.

DEBTOR:

FOLIO*fn*, INC.

By: _____
Steven M.H. Wallman
Chief Executive Officer

SECURED PARTY:

ALFRED H. MOSES

A handwritten signature in black ink, appearing to read "Alfred H. Moses", written over a horizontal line.

[SIGNATURE PAGE TO PLEDGE AND SECURITY AGREEMENT]

TRADEMARK
REEL: 003465 FRAME: 0171

EXHIBIT A

(See Sections 3.4, 3.5, 3.6, 3.11, 3.12 and 4.1.7 of Security Agreement)

Place of Business (if it has only one) or Chief Executive Office (if more than one place of business),
Organizational ID Number, Federal Tax ID Number and Mailing Address:

Address: 8000 Towers Crescent Drive
15th Floor
Vienna, VA 22182

FEIN: **54-1966544**

State of Organization: Virginia
Organization Number: 0529851-8
Other Names in which business has been
conducted:

FOLIO*fn*, Inc.
FOLIO*fn* Technology, Inc. (no assets ever)
FOLIO*fn* Development, Inc. (no assets ever)
8401, Inc. (no assets ever)
FOLIO[fn] Investments, Inc.
FOLIO*fn* Investments, Inc.
FOLIO*fn* Advisor, Inc. (no assets ever)
FOLIO*fn* Investment Management, Inc. (no assets
ever)
FolioTrade, LLC
FolioTrade, Brokerage, LLC
FOLIO[fn]
folioTrade, Inc. (no assets ever)

Locations of Inventory and Equipment and Fixtures:

A. Properties Owned by the Debtor:

None

B. Properties Leased by the Debtor

The Debtor leases the premises of the Chief Executive Office from Squire, Sanders & Dempsey L.L.P. All assets are located solely at the Chief Executive Office, including all property, plant and equipment as well as but not limited to all intellectual property (patents both issued and pending, trademarks, copyrights and sourcecode) except for certain data

processing equipment located at a Cogent Communications hosting facility at 510 Huntmar Park, Herndon, VA 20170.

The Debtor also leases corporate apartments in Virginia from time to time on short term leases for certain of its personnel -- no material property of the Debtor is at such locations.

Various data processing equipment located at a Cogent Communications hosting facility at 510 Huntmar Park, Herndon, VA 20170

Miscellaneous non-material Equipment of the Debtor (primarily laptop computers, but also portable modems, Wi-Fi cards, cellular telephones, etc.) are used by various employees in remote locations and on travel, etc.

C. Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements
(include name of Warehouse Operator or other Bailee or Consignee):

The Debtor leases storage space in the building located at 8000 Towers Crescent Drive, Vienna, VA 22182, for miscellaneous items.

The Debtor also has documents and electronic media storage with Iron Mountain.

EXHIBIT B
(See Section 3.9 of Security Agreement)

A. Vehicles subject to certificates of title:

<u>Description</u>	<u>Title Number & State Where Issued</u>
None	

B. Other vehicles governed by federal statute:

<u>Description</u>	<u>Registration Number</u>
None	

C. Patents, copyrights, trademarks protected under federal law:

<i>Trademarks Issued</i>	<i>Registration No.</i>	<i>Registration Date</i>
DELIVER MORE EFFICIENTLY	2,679,964	28-Jan-03
FOLIO ADVISOR	2,857,168	29-Jun-04
FOLIO ALLOCATOR	2,808,508	27-Jan-04
FOLIO Investing (Stylized)	2,646,466	05-Nov-02
FOLIO LOADER	3,109,610	27-Jun-06
FOLIO MANAGED ACCOUNTS	2,908,830	07-Dec-04
FOLIO MANAGER	2,891,526	05-Oct-04
FOLIO WIZARD	2,897,184	26-Oct-04
FOLIOFN	2,709,678 2,589,345	22-Apr-03 02-Jul-02
FOLIOFN INSTITUTIONAL	2,891,515	05-Oct-04
FOLIOfn Stylized	2,689,010 2,689,009	18-Feb-03
FOLIOFN WHAT'S NEXT	2,940,323	12-Apr-05
FOLIOFN WHAT'S NEXT?	2,679,477	28-Jan-03

<i>Trademarks Issued</i>	<i>Registration No.</i>	<i>Registration Date</i>
FOLIOTRADE	2,663,525	17-Dec-02
FOLIOvote Stylized	2,869,537	03-Aug-04
PROXY GOVERNANCE, INC.	3,069,543	14-Mar-06

<i>Trademarks pending</i>	<i>Appln. No.</i>	<i>Filing Date</i>
FOLIO	76/052,638	19-May-00
FOLIO BUILDER	76/261,099	23-May-01
FOLIO TALK	76/261,098	23-May-01
FOLIO(K)	76/200,200	25-Jan-01
FOLIOFN	1,060,748 428,119	26-May-00
FOLIOFN WIZARD	76/200,234	25-Jan-01
FOLIOTRADE	1,029,854	23-Sep-99
FOLIOTrading Stylized	76/029,759 76/029,758	19-Apr-00
STOP GUESSING. START INVESTING	76/130,045	18-Sep-00

Patents issued and pending

PTO Number	Date Filed	Notice of Allowance / Issue Date
09/038,158	3/11/1998	Issued Date: 2/07/2006
09/139,020 6,601,044	8/24/1998	Issue Date: 7/29/2003
10/440,142	5/19/2003	Issue Date: 10/3/2006
10/435,591	5/12/2003	Issue Date: 9/19/2006
10/627,873	7/28/2003	
10/627,646	7/28/2003	
10/627,626	7/28/2003	
10/627,921	7/28/2003	
09/153,143 6,161,098	9/14/1998	Issue Date: 12/12/2000
09/688,975 6,516,303	10/17/2000	Issue Date: 2/4/2003
09/249,022 6,360,210	2/12/1999	Issue Date: 3/19/2002
09/690,886	10/18/2000	
09/339,299 6,338,047	6/24/1999	Issue Date: 1/8/2002
09/516,791	3/1/2000	Issue Date: 10/5/2004
09/516,790	3/1/2000	ABANDONED
09/516,792	3/1/2000	5/16/2006
09/516,787	3/1/2000	ABANDONED
09/537,800	3/29/2000	ABANDONED
09/572,694	5/16/2000	
09/573,230	5/19/2000	
60/333,982 10/306,625	11/28/2001 11/27/2002	
60/332,351 10/298,213	11/15/2001 11/15/2002	
60/332,348 10/298,185	11/15/2001 11/15/2002	
60/341,459 10/318,355	12/13/2001 12/12/2002	
60/375,344 10/421,384	4/25/2002 4/23/2003	

PTO Number	Date Filed	Notice of Allowance / Issue Date
60/404,607	8/20/2002	
10/644,891	8/20/2003	
11/109777	9/1/2005	
11/218589	12/29/2005	

EXHIBIT C

(See Section 3.9 of Security Agreement)

Legal description, county and street address of property on which
Fixtures are located:

8000 Towers Crescent Drive, 15th Floor
Vienna, VA 22182

Name and Address of Record Owner: TYCON TOWER I
INVESTMENT LIMITED PARTNERSHIP
c/o AEW Capital Management, L.P.
World Trade Center East
2 Seaport Lane
Boston, Massachusetts 02210-2021

Squire, Sanders & Dempsey L.L.P
8000 Towers Crescent Drive, 14th Floor
Vienna, Virginia 22182
Attention: Managing Partner

EXHIBIT D

List of Pledged Securities
(See Section 3.13 of Security Agreement)

A. STOCKS:

<u>Issuer</u>	<u>Certificate Number</u>	<u>Number of Shares</u>
FOLIOfn Investments, Inc. uncertificated		
PROXY Governance, Inc. uncertificated		

B. BONDS:

<u>Issuer</u>	<u>Number</u>	<u>Face Amount</u>	<u>Coupon Rate</u>	<u>Maturity</u>
N/A				

C. GOVERNMENT SECURITIES:

<u>Issuer</u>	<u>Number</u>	<u>Type</u>	<u>Face Amount</u>	<u>Coupon Rate</u>	<u>Maturity</u>
N/A					

D. OTHER SECURITIES OR OTHER INVESTMENT PROPERTY
(CERTIFICATED AND UNCERTIFICATED):

<u>Issuer</u>	<u>Description of Collateral</u>	<u>Percentage Ownership Interest</u>
---------------	----------------------------------	--------------------------------------

*Securities not subject to pledge: securities held by FOLIOfn Investments, Inc. in its fractional share account, its error account and all demo accounts of Debtor or FOLIOfn Investments, Inc., all of which are custodied with DTC and settled through Bank of New York account #8900449284 or otherwise, and all of which accounts the Debtor plans to transfer to U.S. Bank, and securities beneficially owned by customers.

EXHIBIT E
(See Section 3.1 of Security Agreement)

FILING OFFICES

1. Virginia State Corporation Commission
2. United States Patent and Trademark Office (as to U.S. patents, applications therefore, and federally-registered trademarks and applications therefor)
3. United States Copyright Office (as to registered U.S. copyrights)
4. Secretary of State of the State of Arizona

EXHIBIT F

(See Section 1.3 of Security Agreement –
Definition of “Commercial Tort Claims”)

COMMERCIAL TORT CLAIMS

[Describe parties, case number (if applicable), nature of dispute]

None