

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
SOLFOCUS, INC.		02/22/2010	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	NEW ENTERPRISE ASSOCIATES 12 LIMITED PARTNERSHIP, as Collateral Agent		
<b>Street Address:</b>	2855 Sand Hill Road		
<b>City:</b>	Menlo Park		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	94025		
<b>Entity Type:</b>	LIMITED PARTNERSHIP: DELAWARE		
<b>PROPERTY NUMBERS Total: 3</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	3628971	SOLFOCUS	
Registration Number:	3529356	SOLFOCUS	
Serial Number:	77753250	SOLFOCUS	
<b>CORRESPONDENCE DATA</b>			
Fax Number:	(858)550-6420		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	858-550-6403		
Email:	erin.obrien@cooley.com		
Correspondent Name:	Erin O'Brien		
Address Line 1:	c/o Cooley Godward Kronish, LLP		
Address Line 2:	4401 Eastgate Mall		
Address Line 4:	San Diego, CALIFORNIA 92121		
ATTORNEY DOCKET NUMBER:	142974-1033		
NAME OF SUBMITTER:	Erin O'Brien		

CH \$90.00 3628971

**900155483**

**TRADEMARK  
 REEL: 004154 FRAME: 0904**

Signature:	/Erin O'Brien/
Date:	02/24/2010
<p>Total Attachments: 20</p> <p>source=SolFocus signed SA#page1.tif source=SolFocus signed SA#page2.tif source=SolFocus signed SA#page3.tif source=SolFocus signed SA#page4.tif source=SolFocus signed SA#page5.tif source=SolFocus signed SA#page6.tif source=SolFocus signed SA#page7.tif source=SolFocus signed SA#page8.tif source=SolFocus signed SA#page9.tif source=SolFocus signed SA#page10.tif source=SolFocus signed SA#page11.tif source=SolFocus signed SA#page12.tif source=SolFocus signed SA#page13.tif source=SolFocus signed SA#page14.tif source=SolFocus signed SA#page15.tif source=SolFocus signed SA#page16.tif source=SolFocus signed SA#page17.tif source=SolFocus signed SA#page18.tif source=SolFocus signed SA#page19.tif source=SolFocus signed SA#page20.tif</p>	

## SECURITY AGREEMENT

This Security Agreement dated as of February 22, 2010 (this "Agreement") by and among SolFocus, Inc., a Delaware corporation ("Debtor"), New Enterprise Associates 12 Limited Partnership as collateral agent on behalf of the Secured Parties (in such capacity, the "Collateral Agent") and each Purchaser from time to time party to the Purchase Agreement (as defined below) that is a signatory from time to time hereto (each a "Secured Party" and collectively the "Secured Parties").

Debtor, Collateral Agent and Secured Parties hereby agree as follows:

**I. CERTAIN DEFINITIONS.** Except as otherwise provided in this Agreement, capitalized terms used herein shall have the meanings set forth in that certain note and warrant purchase agreement among the Debtor and the Purchasers from time to time party thereto, dated February 22, 2010 ("Purchase Agreement").

### II. SECURITY AGREEMENT.

**A. Grant.** Debtor, for valuable consideration, the receipt of which is acknowledged, hereby grants to Collateral Agent, on behalf of itself and the Secured Parties, a security interest in and Lien on all of the property described on Exhibit A hereto (the "Collateral") now owned or at any time hereafter acquired by Debtor or in which Debtor now has or at any time in the future may acquire any right, title or interest.

**B. Debtor Remains Liable.** Anything herein to the contrary notwithstanding, (i) Debtor shall remain liable under any contracts, agreements and other documents included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Secured Parties or Collateral Agent of any of the rights hereunder shall not release Debtor from any of its duties or obligations under such contracts, agreements and other documents included in the Collateral, and (iii) neither the Secured Parties nor Collateral Agent shall have any obligation or liability under any contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall Collateral Agent or the Secured Parties be obligated to perform any of the obligations or duties of Debtor thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral hereunder.

**C. Continuing Security Interest.** Subject to Section IV herein, Debtor agrees that this Agreement shall create a continuing security interest in the Collateral (the "Security Interest") which shall remain in effect until payment and performance in full of all of the Obligations.

**III. OBLIGATIONS SECURED.** Subject to Section IV herein, the security interest granted hereby secures the full and timely payment of all obligations of Debtor to pay principal and interest under the Notes and all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise

(including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Debtor to the Secured Parties under the Notes (such obligations, the "Obligations").

**IV. OBLIGATIONS SUBORDINATED.** The Debtor, Collateral Agent and the Secured Parties agree that the obligations of the Debtor hereunder and the payment and performance of the Obligations by the Debtor under the Notes and the Purchase Agreement are subordinate to the Debtor's obligations to (a) providers of any capital leases and (c) holders of any financing provided by bank lenders or other professional lending institutions regularly engaged in the business of lending (together, the "Senior Debt") pursuant to terms and conditions and documentation (including the amendment of the Purchase Agreement, the Notes or this Agreement) reasonably acceptable to the holders of such Senior Debt, the Majority Note Holders and the Board.

**V. DEBTOR'S REPRESENTATIONS, WARRANTIES AND COVENANTS.** Debtor hereby represents, warrants and covenants to Collateral Agent and the Secured Parties that:

**A.** Debtor's principal place of business is 510 Logue Avenue, Mountain View, CA 94043 and Debtor keeps its records concerning accounts, contract rights and other property at that location. Other than with respect to information disclosed to Collateral Agent as of the hereof, Debtor will promptly notify Collateral Agent in writing of the establishment of any new place of business where any of the Collateral is kept. Debtor is a corporation organized under the laws of the State of Delaware. Debtor will notify Collateral Agent prior to changing either its form or jurisdiction of organization.

**B.** Debtor is the legal and beneficial owner of the Collateral (or, in the case of after-acquired Collateral, at the time Debtor acquires rights in the Collateral, will be the legal and beneficial owner thereof). Except for the Security Interest granted to the Collateral Agent, on behalf of itself and the Secured Parties hereunder and any Permitted Liens (as defined in Exhibit C hereto), Debtor has rights in or the power to transfer the Collateral free and clear of any adverse Lien, security interest or encumbrance except as created by the Security Interest and any Permitted Liens (as defined in Exhibit C hereto).

**C.** The Security Interest will constitute a valid and continuing security interest in favor of Collateral Agent, on behalf of itself and the Secured Parties in the Collateral for which perfection is governed by the UCC or filing with the United States Copyright Office or United States Patent and Trademark Office. Such security interest will be prior to all other Liens on the Collateral except for Permitted Liens.

**D.** Each insurance policy maintained by Debtor is validly existing and is in full force and effect. Debtor is not in default in any material respect under the provisions of any insurance policy, and there are no facts which, with the giving of notice or passage of time (or both), would result in such a default under any material provision of any such insurance policy.

**E.** Debtor will at all times keep in a manner reasonably satisfactory to Collateral Agent accurate and complete records of the Collateral and will keep such Collateral insured to the extent similarly situated companies insure their assets. Collateral Agent shall be entitled, at reasonable times and intervals after reasonable notice to Debtor, to enter Debtor's premises for purposes of inspecting the Collateral and Debtor's books and records relating thereto.

**F.** Debtor will not create or permit to be created or suffer to exist, and will take such other action as is reasonably necessary to remove, any Lien except for Permitted Liens (each as defined in Exhibit C hereto), and will defend the right, title and interest of the Secured Parties in and to any of the Collateral against the claims and demands of all other persons.

**G.** Debtor shall not use the Collateral in violation of any material applicable statute, ordinance, law or regulation or in violation of any insurance policy maintained by Debtor with respect to the Collateral.

**H.** Other than financing statements, security agreements, chattel mortgages, assignments, fixture filings and other agreements or instruments executed, delivered, filed or recorded for the purpose of granting or perfecting any Lien (collectively, "Financing Statements") existing as of the date hereof or arising after the date hereof in connection with any Permitted Lien, no effective Financing Statement naming Debtor as debtor, assignor, grantor, mortgagor, pledgor or the like and covering all or any part of the Collateral is on file in any filing or recording office in any jurisdiction.

**I.** Debtor will (i) notify Collateral Agent of any material claim made or asserted against the Collateral by any Person or other event that could materially adversely affect the value of the Collateral or Collateral Agent's Lien thereon; (ii) furnish to Collateral Agent such statements and schedules further identifying and describing the Collateral and such other reports and other information in connection with the Collateral as Collateral Agent may reasonably request, all in reasonable detail; and (iii) upon request of Collateral Agent, make such demands and requests for information and reports as Debtor is entitled to make in respect of the Collateral

**J.** Debtor has taken and will continue to take all reasonable steps to protect the secrecy of and preserve its rights and interests in and to all of its trade secrets and other proprietary rights and interests that are material to its business.

**K.** To the best of Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the intellectual property constituting the Collateral, by any person or entity, and, to the best of Debtor's knowledge, Debtor's use of the intellectual property constituting the Collateral does not and will not infringe upon the rights or interests of any other person or entity.

**L.** Debtor will not surrender or lose possession of (other than to Collateral Agent), sell, lease, rent, or otherwise dispose of or transfer, any of the Collateral or any right or interest therein, except as permitted by the Loan Documents or any Senior Debt.

**VI. FINANCING STATEMENTS.** Debtor authorizes the Collateral Agent (or any counsel on behalf of Collateral Agent), at Debtor's cost to execute any Financing Statement in respect of the Security Interest created pursuant to this Agreement that may at any time be required or that, in the reasonable opinion of Collateral Agent, may at any time be desirable. If any recording or filing thereof (or the filing of any statements of continuation or assignment of any Financing Statement) is required to protect and preserve such Lien, Collateral Agent (or any counsel on behalf of Collateral Agent) shall at Debtor's cost execute the same at the time and in the manner so required.

**VII. DEBTOR'S RIGHTS UNTIL DEFAULT.** So long as an Event of Default does not exist, Debtor shall have the right to possess the Collateral, manage its property and sell its inventory in the ordinary course of business.

**VIII. EVENT OF DEFAULT.** An "Event of Default" shall exist under this Agreement upon the occurrence of any "Event of Default" as defined in the Purchase Agreement.

**IX. RIGHTS AND REMEDIES ON EVENT OF DEFAULT.**

A. Subject to (a) Section IV herein in all respects and (b) upon agreement of the Majority Note Holders (as defined in the Purchase Agreement), during the continuance of an Event of Default, Collateral Agent shall have the right to declare all Obligations to be immediately due and payable and Collateral Agent may exercise any and all rights and remedies hereunder or under applicable law; provided, however, if any Event of Default occurs as a consequence of the commencement of a bankruptcy or other insolvency proceeding by or against Debtor, all of the Obligations shall be automatically and immediately due and payable without further action or demand. Without limiting the generality of the foregoing, Collateral Agent shall have the right to sell or otherwise dispose of all or any part of the Collateral, either at public or private sale, in lots or in bulk, for cash or for credit, with or without warranties or representations, and upon such terms and conditions, all as Collateral Agent, in its sole discretion, may deem advisable, and Collateral Agent shall have the right to purchase at any such sale. Debtor agrees that a notice sent at least ten days before the time of any intended public sale or of the time after which any private sale or other disposition of the Collateral is to be made shall be reasonable notice of such sale or other disposition. The proceeds of any such sale, or other Collateral disposition, shall be applied: first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like, and to Collateral Agent's reasonable attorneys' fees and legal expenses; second, to the Secured Parties in satisfaction of the then unpaid Obligations; and third, to Debtor or as otherwise required by law. If, upon the sale or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which Secured Parties are legally entitled, Debtor shall be liable for the deficiency, together with interest thereon at the rates set forth in the Notes, and the reasonable fees of any attorneys Secured Parties employ to collect such deficiency; provided, however, that the foregoing shall not be deemed to require Collateral Agent to resort to or initiate proceedings against the Collateral prior to the collection of any such deficiency from Debtor. To the extent permitted by applicable law, Debtor waives all claims, damages and demands against Collateral Agent arising out of the retention or sale or lease of the Collateral or other exercise of Collateral Agent's rights and remedies with respect thereto pursuant to the terms of this Agreement.

“UCC” means the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of California; provided, that, to the extent that the “UCC” is used to define any term herein and such term is defined differently in different Articles or Divisions of the UCC, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Collateral Agent’s Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of California, the term “UCC” shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes on the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions. The rights and remedies with respect to Debtor and the Collateral, whether established hereby or by any other agreements, instruments or documents or by law, shall be cumulative and may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided under any other agreement, instrument or document to which Debtor is a party or by which it or any of the Collateral is bound or by law or equity.

**B.** Debtor will upon request promptly execute and deliver all further instruments and documents, and take all further action that Collateral Agent may reasonably request in order to perfect, protect and maintain the priority of the security interest granted by this Agreement and to enable Collateral Agent to exercise and enforce its rights and remedies under this Agreement.

**C.** Debtor hereby waives (a) the right to require Collateral Agent to proceed against any other person or against any other collateral it may hold; (b) presentment, protest and notice of protest, demand and notice of nonpayment, demand of performance, notice of sale, and advertisement of sale, (c) following an Event of Default, any right to the benefit of or to direct the application of any of the Collateral until the obligations of Debtor shall have been paid in full, and (d) any defenses which may arise by reason of, or be based on, lack of diligence in collection.

**D.** Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all of Debtor’s right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the Collateral sold, and shall be a perpetual bar, both at law and in equity, against Debtor, its successors and assigns, and against all Persons claiming the Collateral sold or any part thereof under, by or through Debtor, its successors or assigns.

**E.** Subject to Section IV herein and to the extent permitted by law, Debtor appoints Collateral Agent, and any trustee, authorized agent or designee of Collateral Agent, with full power of substitution, as Debtor’s true and lawful attorney-in-fact, effective as of the date hereof, with power, upon Collateral Agent’s election, in its own name or in the name of Debtor, during the continuance of an Event of Default, (i) to endorse any notes, checks, drafts, money orders, or other instruments of payment in respect of the Collateral that may come into Collateral Agent’s possession, (ii) to sign and endorse any drafts against Debtor, assignments, verifications and notices in connection with accounts, and other documents relating to Collateral; (iii) to pay or discharge taxes or Liens at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, issue receipt for, compromise, settle and sue for monies due

in respect of the Collateral; (v) to notify persons obligated with respect to the Collateral to make payments directly to Collateral Agent; and, (vi) generally, to do, at Collateral Agent's option and at Debtor's expense, at any time, or from time to time, all acts and things that Collateral Agent deems reasonably necessary to protect, preserve and realize upon the Collateral and Collateral Agent's security interest therein to effect the intent of this Agreement, all as fully and effectually as Debtor might or could do; and Debtor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable as long as any of the Obligations are outstanding.

**F.** Subject to Section IV herein, all of Collateral Agent's rights and remedies with respect to the Collateral, whether established hereby or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

## **X. COLLATERAL AGENT.**

**A.** Each Secured Party hereby appoints New Enterprise Associates 12 Limited Partnership collateral agent for the benefit of the Secured Parties under this Agreement to serve from the date hereof until the termination of this Agreement.

**B.** Each Secured Party hereby irrevocably authorizes Collateral Agent to take such action and to exercise such powers hereunder as provided herein or as requested in writing by the Majority Note Holders (as defined in the Purchase Agreement) in accordance with the terms hereof, together with such powers as are reasonably incidental thereto. Collateral Agent may execute any of its duties hereunder by or through agents or employees and shall be entitled to request and act in reliance upon the advise of counsel concerning all matters pertaining to its duties hereunder and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance therewith.

**C.** Neither Collateral Agent nor any of its directors, officers or employees shall be liable or responsible to any Secured Party or to Debtor for any action taken or omitted to be taken by Collateral Agent or any other such person hereunder or under any related agreement, instrument or document, except in the case of gross negligence or willful misconduct on the part of Collateral Agent, nor shall Collateral Agent or any of its directors, officers or employees be liable or responsible for (A) the validity, effectiveness, sufficiency, enforceability or enforcement of the Notes, this Agreement or any instrument or document delivered hereunder or relating hereto; (B) the title of Debtor to any of the Collateral or the freedom of any of the Collateral from any prior or other liens or security interests; (C) the determination, verification or enforcement of Debtor's compliance with any of the terms and conditions of this Agreement; (D) the failure by Debtor to deliver any instrument or document required to be delivered pursuant to the terms hereof; or (E) the receipt, disbursement, waiver, extension or other handling of payments or proceeds made or received with respect to the Collateral, the servicing of the Collateral or the enforcement or the collection of any amounts owing with respect to the Collateral.

**D.** In the case of this Agreement and the transactions contemplated hereby and any related document relating to any of the Collateral, each of the Secured Parties



agrees to pay to Collateral Agent, on demand, its pro rata share (based on relative Obligations) of all fees and all expenses incurred in connection with the operation and enforcement of this Agreement, the Notes or any related agreement to the extent that such fees or expenses have not been paid by Debtor. In the case of this Agreement and each instrument and document relating to any of the Collateral, each of the Secured Parties (on a pro rata basis based upon the outstanding Obligations owing to the Secured Parties) and Debtor hereby agrees to hold Collateral Agent harmless, and to indemnify Collateral Agent from and against any and all loss, damage, expense or liability which may be incurred by Collateral Agent under this Agreement and the transactions contemplated hereby and any related agreement or other instrument or document, as the case may be, unless such liability shall be caused by the willful misconduct or gross negligence of Collateral Agent.

**XI. COLLATERAL AGENT'S RIGHTS; DEBTOR WAIVERS.**

A. Collateral Agent's or Secured Parties' acceptance of partial or delinquent payment from Debtor under the Notes or hereunder, or Collateral Agent's failure to exercise any right hereunder, shall not constitute a waiver of any obligation of Debtor hereunder, or any right of Collateral Agent hereunder, and shall not affect in any way the right to require full performance at any time thereafter.

B. Debtor waives, to the fullest extent permitted by law, (i) any right of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshaling of the Collateral or other collateral or security for the Obligations; (ii) any right to require Collateral Agent (A) to proceed against any person, (B) to exhaust any other collateral or security for any of the Obligations, (C) to pursue any remedy in Collateral Agent's power, or (D) to make or give any presentments, demands for performance, notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any of the Collateral; and (iii) all claims, damages, and demands against Collateral Agent arising out of the repossession, retention, sale or application of the proceeds of any sale of the Collateral.

C. Debtor hereby agrees to indemnify Collateral Agent, its principals and agents (the "Indemnified Parties") for, and agrees to protect and hold each of them harmless from and against, any and all liabilities, obligations, losses, damages, costs and expenses (including, without limitation, reasonable attorneys' fees), causes of action, suits, claims, demands and judgments of any nature or description whatsoever, which may at any time be imposed upon, incurred by or awarded against any Indemnified Party (other than as a result of such Indemnified Party's own gross negligence or willful misconduct) as a result of the grant to Collateral Agent of any interest in or to any of the Collateral.

**XII. INSURANCE; RISK OF LOSS.**

A. Debtor shall maintain, at its expense, such public liability and third party property damage and business interruption insurance in such amounts and with such deductibles as is common in the Debtor's industry.

### **XIII. TERMINATION; REINSTATEMENT**

A. Termination. Upon the payment in full in cash of all Obligations under the Notes and the Purchase Agreement (other than the obligations that are intended to survive the termination of the Notes or the Purchase Agreement, as the case may be), and subject to Section XIII(B) herein, this Agreement and the security interest and all other rights granted hereby shall automatically terminate and all rights to the Collateral shall revert to Debtor without any further action by Collateral Agent. Upon any such termination, Collateral Agent authorizes Debtor or its counsel to file any UCC-3 or other termination statements to evidence such termination, to release all security interest on the Collateral and to return such Collateral to Debtor. Furthermore, Collateral Agent shall, at Debtor's expense and upon its written direction, execute and, subject to Section XII(B), deliver to Debtor such documents (including UCC-3 termination statements) as Debtor shall reasonably request to evidence such termination, to release all security interest on the Collateral and to return such Collateral to Debtor.

B. Reinstatement. This Agreement and the obligations of Debtor hereunder shall automatically be reinstated if and to the extent that for any reason any payment made pursuant to this Agreement is rescinded or must otherwise be restored or returned, whether as a result of any proceedings in bankruptcy or reorganization or otherwise with respect to Debtor or as a result of any settlement or compromise with any person (including Debtor) in respect of such payment, and Debtor, subject to Section IV herein, shall pay Collateral Agent on demand all of its reasonable costs and expenses (including reasonable fees of counsel) incurred by Collateral Agent in connection with such rescission or restoration.

### **XIV. MISCELLANEOUS.**

A. Joinder of New Secured Parties. Any Purchaser from time to time party to the Purchase Agreement not party to this Agreement as of the date hereof shall execute a joinder in the form of Exhibit B hereto ("Joinder"). Upon execution of the Joinder, such Purchaser will become a "Secured Party" hereunder with all the rights and obligations granted to a Secured Party hereunder.

B. Amendment and Waiver. Neither this Agreement nor any part hereof may be changed, waived, or amended except by an instrument in writing signed by the Majority Note Holders and by Debtor; and waiver on one occasion shall not operate as a waiver on any other occasion.

C. Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, if not so confirmed, then on the next Business Day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the respective parties at the addresses shown below such parties' signatures hereunder (or at such other addresses as shall be specified by notice given in accordance with this Section XIII(C)).

D. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of, the successors and assigns of the parties hereto, including, without limitation, all future holders of the Note.

E. 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.

F. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

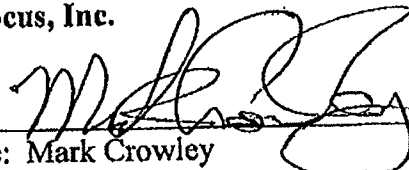
G. Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with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

H. Governing Law; Venue. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law. Each party hereto consents to exclusive jurisdiction and venue in California, if in state court, and in the United States District Court for the Northern District of California, if in United States federal court, for any suit or proceeding relating to, arising out of or arising under this Agreement; such courts shall have the sole and exclusive in personam, subject matter and other jurisdiction in connection with such suit or proceeding and venue shall be appropriate for all purposes in such courts.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the date first above written.

**DEBTOR:**

**SoIFocus, Inc.**

By:   
Name: Mark Crowley  
Title: President and Chief Executive Officer

[SIGNATURE PAGE TO SECURITY AGREEMENT]

**SECURED PARTY:**

**NEW ENTERPRISE ASSOCIATES 12,  
LIMITED PARTNERSHIP**

**By: NEA Partners 12, L.P.,  
Its General Partner**

By: NEA 12 GP, LLC, its general partner

By: Charles W. Neuhall, III

Name: Charles W. Neuhall, III

Title: Manager

[SIGNATURE PAGE TO SECURITY AGREEMENT]

**SECURED PARTY:**

**NGEN II, L.P.**

**By: NGEN Partners II, LLC,  
Its General Partner**

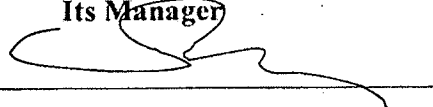
**By:** 

**Name:** Steve Parry

**Its:** Managing Member

**NGEN III, L.P.**

**By: NGEN Partners III, LLC,  
Its General Partner**

**By: NGEN Mgt. II, LLC,  
Its Manager**  
**By:** 

**Name:** Steve Parry

**Its:** Managing Director

**SECURED PARTY:**

**APEX INVESTMENT FUND VI, L.P.**

**By: Apex Management VI, LLC  
Its General Partner**

By: Wayne T. Boulais

Name: Wayne T. Boulais

Title: Managing Member

[SIGNATURE PAGE TO SECURITY AGREEMENT]

## EXHIBIT A

### DESCRIPTION OF COLLATERAL

All the following tangible and intangible personal property of Debtor, whether presently existing or hereafter created, written, produced or acquired:

- (i) All goods, Accounts, Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles, including without limitation the intellectual property listed on Schedule 1 attached hereto, commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations and financial assets, whether now owned or hereafter acquired, wherever located; and
- (ii) all Debtor's Books relating to clause (i) of this Exhibit A, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.
- (iii) Notwithstanding the forgoing clauses (i) and (ii) of this Exhibit A, the Collateral excludes any rights or interests in any lease, license, contract, or agreement, as such, or the assets subject thereto if under the terms of such lease, license, contract, or agreement, or applicable law with respect thereto, the valid grant of a security interest or lien therein or in such assets to Debtor is prohibited and such prohibition has not been or is not waived or the consent of the other party to such lease, license, contract, or agreement has not been or is not otherwise obtained or under applicable law such prohibition cannot be waived; provided, that the foregoing exclusion shall in no way be (i) construed to apply if any such prohibition would be rendered ineffective under the UCC or other applicable law (including the United States Bankruptcy Code) or principles of equity, (ii) construed so as to limit, impair or otherwise affect the unconditional continuing security interests in and liens upon any rights or interests Collateral Agent may have in or to the proceeds thereof, including monies due or to become due under any such lease, license, contract, or agreement (including any accounts), in each case, that are not subject to such prohibitions, or (iii) construed to apply at such time as the condition causing such prohibition shall be remedied and, to the extent severable. Collateral shall include any portion of such lease, license, contract, agreement or assets subject thereto that does not result in such prohibition.

Terms used in this Exhibit A but not defined shall have the meaning given to such terms in the UCC.



SCHEDULE 1  
INTELLECTUAL PROPERTY

TRADEMARKS

Description	Serial/Registration Number	Application/Registration Date
SOLFOCUS	3,628,971	05/26/09
SOLFOCUS	3,529,356	11/04/08
SOLFOCUS	77/753,250	06/05/09

PATENTS

Description	Serial/Patent Number	Application/Issue Date
Semiconductor mount	7,545,011	06/09/09
Shield for solar radiation collector	7,473,000	01/06/09
Clips for aligning optical components in a solar concentrating array	12/177,874	07/22/08
Energy recovery of secondary obscuration	12/176,341	07/19/08
Solar concentrator backpan	12/134,172	06/05/08
Solar thermal collector insert	12/131,875	06/02/08
Solar cell with current blocking layer	12/401,546	03/10/09
Simulator system and method for measuring current voltage characteristic curves of a solar concentrator	12/202,377	09/01/08
Simulator system and method for measuring acceptance angle characteristics of a solar concentrator	12/202,378	09/01/08
Solar thermal collector manifold	12/060,172	03/31/08
Solar collector desiccant system	12/104,415	04/16/08
Integrated optics for concentrator solar receivers	11/963,799	12/22/07
Leadframe receiver package	12/250,034	10/13/08
Semiconductor mount	12/365,131	02/03/09
Monolithic glass array	12/044,939	03/08/08
Combination non-imaging concentrator	11/960,896	12/20/07

Description	Serial/Patent Number	Application/Issue Date
Solar concentrator	12/175,456	07/18/08
Solar concentrator with square mirrors	12/021,238	01/28/08
Non-imaging concentrator with spacing nubs	11/927,817	10/30/07
Hermetic receiver package	12/032,696	02/18/08
Monolithic mirror array	12/263,462	11/01/08
Environmental control enclosure	12/245,631	10/03/08
Equipment and process for measuring the precision of sun tracking for photovoltaic concentrators	12/101,941	04/11/08
Passively cooled solar concentrating photovoltaic device*	11/381,999	05/05/06
Solar concentrating photovoltaic device with resilient cell package assembly*	11/382,004	05/05/06
Thermal spray for solar concentrator fabric*	11/782,605	07/24/07
Metal trace fabrication for optical element*	11/782,609	07/24/07
Systems to retain an optical element on a solar cell	12/038,392	02/27/08
Solid concentrator with total internal secondary reflection	12/046,903	03/12/08
Solar cell	12/050,516	03/18/08
Solar cell package for solar concentrator	12/118,026	05/09/08
Solar cell passivation and leveling	12/164,176	06/30/08
System to increase SNR of CPV-generated power signal	12/179,179	07/24/08
Fault monitoring based on solar tracking error	12/179,233	07/24/08
Determination of solar tracking error	12/179,315	07/24/08
Laminated solar concentrating photovoltaic device*	7,638,708	12/29/09

\*Partial interest assigned to Palo Alto Research Center Incorporated; partial interest assigned to SolFocus, Inc.

## EXHIBIT B

### JOINDER TO SECURITY AGREEMENT

This JOINDER ("Joinder") to that certain security agreement ("Agreement") dated as of February \_\_, 2010, by and among SolFocus, Inc., New Enterprise Associates 12 Limited Partnership as the collateral agent on behalf of the Secured Parties, and the Secured Parties from time to time party thereto. Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Agreement.

WHEREAS, pursuant to Section XIV(A) of the Agreement, [ ], a [ ] (the "New Secured Party") as a Purchaser under the Purchase Agreement has agreed to become a party to the Agreement and to execute a joinder to the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement and herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the New Secured Party hereby agrees as follows:

1. Agreement to Be Bound. New Secured Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder, it shall (i) join and become a party to the Agreement and, by virtue thereof, it shall be a "Secured Party" thereunder, (ii) be bound by all terms, conditions, covenants, agreements, representations, warranties and acknowledgments in the Agreement attributable to a "Secured Party" and (iii) shall perform the obligations and duties of a "Secured Party" thereunder as if it was a signatory to the Agreement on the original date thereof.

2. Representations and Warranties and Agreements of New Secured Party. New Secured Party hereby represents and warrants that it has all the requisite corporate power and authority to execute, deliver and perform its obligations under this Joinder and the Agreement and to consummate the transactions contemplated hereby and thereby and that this Joinder and the Agreement each constitutes a valid and legally binding agreement enforceable against it in accordance with its terms..

3. Governing Law. This Joinder and the rights of the parties hereunder shall be construed and interpreted in accordance with the laws of the State of California, without application of the rules regarding conflicts of laws of the State of California or any other state.

[Signature on following page]

IN WITNESS WHEREOF, New Secured Party has executed this Joinder as of the date written above.

[New Secured Party]

By: \_\_\_\_\_

Name:

Title:

## Exhibit C

### Definition of Liens and Permitted Liens

“Lien” is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

“Permitted Liens” are:

- (a) Liens arising under this Agreement and the other Note Documents;
- (b) Liens for taxes, fees, assessments or other government charges or levies, either not delinquent or being contested in good faith and for which Debtor maintains adequate reserves on its books;
- (c) statutory Liens securing claims or demands of materialmen, mechanics, carriers, warehousemen, landlords and other persons imposed without action of such parties.
- (d) Liens to secure payment of workers’ compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business;
- (e) Liens on any property held or acquired by Debtor in the ordinary course of business securing indebtedness incurred or assumed for the purpose of financing all or any part of the cost of acquiring such property; provided that such Lien attaches solely to the property acquired with such indebtedness and that the principal amount of such indebtedness does not exceed one hundred percent of the cost of such property;
- (f) Liens securing Senior Debt pursuant to documentation reasonably acceptable to holders of such Senior Debt;
- (g) Liens securing that certain General Indemnity Agreement by Debtor in favor of the American Contractors Indemnity Company, U.S. Specialty Insurance Company, Texas Building Company, United States Surety Company dated the February 12, 2010.
- (h) Liens incurred in the extension, renewal or refinancing of the indebtedness secured by Liens described in (a) through (g);
- (i) escrow arrangements with respect to intellectual property entered into by Debtor in the ordinary course of business and consistent with industry practice;
- (j) non-exclusive license or sublicenses of intellectual property;
- (k) Liens arising from judgments, decrees or attachments in circumstances not unless the judgment it secures has not been discharged or execution thereof effectively stayed or bonded against pending appeal within 45 days of entry thereof;

(l) Liens in favor of other financial institutions arising in connection with Debtor's deposit and/or securities accounts held at such institutions; and

(m) Liens granted by Debtor under (i) that certain Plain English Loan and Security Agreement dated September 27, 2007 between Debtor and TriplePoint Capital LLC, as the same may be amended, restated or modified; (ii) that certain equipment lease agreement dated March 20, 2009 between Debtor and H&E Equipment Services LLC ("H&E"), as the same was assigned by H&E to NMHG Financial Services, Inc. on April 23, 2009, and as the same may be further amended, restated or modified from time to time; and (iii) that certain Master Loan and Security Agreement No. SOLFX dated May 14, 2009 between Debtor and Atel Ventures, Inc. as the same may be restated, amended or modified from time to time.