

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
CoreTrace Corporation		08/12/2011	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Hunt Ventures Fund I, L.P.		
Street Address:	1900 North Akard St.		
City:	Dallas		
State/Country:	TEXAS		
Postal Code:	75201-2300		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	2744325	CORETRACE	
Registration Number:	3856462	PLANET ANTIVIRUS	
Registration Number:	3873781	CORETRACE BOUNCER	
CORRESPONDENCE DATA			
Fax Number:	(512)481-4967		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	5123209267		
Email:	kathrynmcgowan@andrewskurth.com		
Correspondent Name:	Kathryn E. McGowan, Andrews Kurth LLP		
Address Line 1:	111 Congress Avenue, Suite 1700		
Address Line 4:	Austin, TEXAS 78701		
ATTORNEY DOCKET NUMBER:	199438		
NAME OF SUBMITTER:	Kathryn E. McGowan		
Signature:	/McGowan-AT/		

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 REEL: 004604 FRAME: 0171

Date:

08/12/2011

Total Attachments: 14

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (“*Agreement*”) dated August 12, 2011 is between CoreTrace Corporation (“*Debtor*”) and Hunt Ventures Fund I, L.P. (“*Collateral Agent*”), on behalf of the Secured Parties (as hereinafter defined).

RECITALS:

A. Collateral Agent and other Secured Parties will make advances to Debtor (“*Loans*”) as described in the Note Purchase Agreement dated of even date herewith between Debtor, Collateral Agent, and the other Investors (the “*Secured Parties*”) named therein, (the “*Note Agreement*”), but only if Debtor grants Collateral Agent, on behalf of the Secured Parties and in accordance with the terms of the Note Agreement, a security interest in its intellectual property, including patents and trademarks.

B. Debtor has granted Collateral Agent, for the benefit of the Secured Parties, a security interest in all of its right, title and interest, presently existing or later acquired, in and to all the Collateral described in the Security Agreement dated of even date herewith (the “*Security Agreement*”) executed by Debtor and Collateral Agent contemporaneously with the Note Agreement.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, and intending to be legally bound, the parties hereto mutually agree as follows:

1. Definitions.

Capitalized terms used but not defined herein shall have the meanings given to them in the Note Agreement and the Security Agreement. In addition, the following terms, as used in this Agreement, have the following meanings:

“*Event of Default*” shall have the meaning given to it in the Notes.

“*Intellectual Property Collateral*” means:

(i) Each of the patents and patent applications which are presently owned by Debtor (including all of Debtor’s right, title, and interest, in and to the patents and patent applications listed on Exhibit A, attached hereto, as the same may be updated hereafter from time to time), in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;

(ii) All of Debtor’s right, title, and interest in all patentable inventions, and to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Debtor for past, present, and future infringements

of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(iii) Each of the trademarks and rights and interest which are capable of being protected as trademarks (including all of Debtor's right to the trademark registrations listed on Exhibit B, attached hereto, as the same may be updated hereafter from time to time and all other trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently owned by Debtor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all goodwill associated therewith and all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(iv) All of Debtor's right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country and to apply for, renew, and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Debtor for past, present, and future infringements of the trademarks, registrations, or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(v) All copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof and rights and interest which are capable of being protected as copyrights (including all of Debtor's right to the copyright registrations listed on Exhibit C, attached hereto, as the same may be updated hereafter from time to time), which are presently owned by Debtor, in whole or in part, including all proceeds thereof (including license royalties and proceeds of infringement suits);

(vi) All of Debtor's right, title and interest to register copyrights under any state or federal copyright law or regulation of any foreign country and to apply for copyright registrations, the right (without obligation) to sue in the name of Debtor for past, present, and future infringements of the copyrights and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(vii) All general intangibles relating to the foregoing, including, without limitation, goodwill, license agreements, purchase orders, computer programs, computer discs, computer tapes, literature, reports, catalogs, design rights and rights to payment of any kind all claims for damages by way of any past, present and future infringement with respect to any of the items sent forth in paragraphs (i), (ii), (iii), (iv), (v), and (vi); and

(viii) All proceeds of any and all of the foregoing (including, without limitations, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

Notwithstanding the foregoing, "Intellectual Property Collateral" shall not include any license, property or contract right the granting of a security interest in which would be prohibited by law or contract. Furthermore, notwithstanding the foregoing, the security interest granted

herein does not extend to and the term “Intellectual Property Collateral” does not include any license or contract rights to the extent that such rights are nonassignable by their terms (but only to the extent such prohibition is enforceable under applicable law, including, without limitation, Section 9.318(d) of the Code (as defined in the Security Agreement)) without the consent of the licensor or other party (but only to the extent such consent has not been obtained).

“*Notes*” shall mean the Secured Promissory Notes issued in connection with the Note Agreement.

“*Obligations*” means all indebtedness, both principal and interest, of the Debtor to the Secured Parties now or after the date of this Agreement evidenced by the Notes.

2. **Grant of Security Interest.**

Debtor hereby grants Collateral Agent, for the benefit of the Secured Parties, a security interest in all of Debtor’s right, title, and interest in and to the Intellectual Property Collateral to secure the Obligations. Notwithstanding the foregoing, all of the rights and remedies of the Secured Parties hereunder are expressly subordinate to the Permitted Liens as set forth in the Security Agreement.

This security interest is granted in conjunction with the security interest granted under the Security Agreement dated of even date herewith. Collateral Agent’s rights and remedies in the security interest are in addition to those in the Note Agreement, the Security Agreement and those available in law or equity. Collateral Agent’s rights, powers and interests are cumulative with every right, power or remedy provided hereunder. Collateral Agent’s exercise of its rights, powers or remedies in this Agreement, the Note Agreement or any other Transaction Document (as defined in the Note Agreement), and does not preclude the simultaneous or later exercise of any or all other rights, powers or remedies.

3. **Patents; Trademarks; Service Marks.**

Debtor hereby represents, warrants, and covenants that:

(a) A true and complete schedule setting forth all patent and patent applications owned or controlled by Debtor, together with a summary description in respect of the filing or issuance thereof and expiration dates is set forth on Exhibit A.

(b) A true and complete schedule setting forth all federal and state trademark and service mark registrations owned or controlled by Debtor, together with a summary description in respect of the filing or issuance thereof and expiration dates is set forth on Exhibit B.

(c) A true and complete schedule setting forth all copyright applications or registrations owned or controlled by Debtor, together with a summary description in respect of the filing or issuance thereof and expiration dates is set forth on Exhibit C.

(d) Except for the filing of a financing statement with the Secretary of State of Delaware and filings with the United States Patent and Trademark Office and the United States

Copyright Office necessary to perfect the security interests created hereunder, to the Debtor's knowledge and belief no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body in the United States is required either for the grant by Debtor of the security interest hereunder or for the execution, delivery, or performance of this Agreement by Debtor or for the perfection of or the exercise by Collateral Agent of its rights hereunder with respect to the Intellectual Property Collateral. Debtor shall notify Collateral Agent in advance of application for and within fifteen (15) days of receipt of notice of registration in connection of any future registrations related to any of the Intellectual Property Collateral.

4. **After-Acquired Patent, Service Mark, Trademark, and Copyright Rights.**

If Debtor shall obtain ownership rights to any new service marks, trademarks, copyrights, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Agreement shall automatically apply thereto. Debtor shall, upon reasonable request by Collateral Agent, provide a report from time to time, but not more frequently than once per calendar year unless an Event of Default has occurred and is continuing, in writing to Collateral Agent with respect to any such new service marks, trademarks, or patents, or renewal or extension of any service mark or trademark registration. Debtor shall bear any expenses incurred in connection with future patent applications, future service mark or trademark registrations, and future copyright applications.

5. **Litigation and Proceedings.**

Debtor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and at its own expense, such suits, administrative proceedings, or other actions for infringement or other damages as are in its reasonable business judgment necessary and appropriate to protect the Intellectual Property Collateral. Debtor shall provide to Collateral Agent any non-privileged information with respect thereto reasonably requested by Collateral Agent. Collateral Agent shall provide at Debtor's expense all necessary cooperation in connection with any such suits, proceedings, or action, including, without limitation, joining as a necessary party. Following Debtor's becoming aware thereof, Debtor shall notify Collateral Agent of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, or any United States, state, or foreign court regarding Debtor's claim of ownership in any of the patents, service marks, or trademarks, its right to apply for the same, or its right to keep and maintain such patent, service mark, or trademark right.

6. **Power of Attorney.**

To the extent it does not adversely affect the validity of the Intellectual Property Collateral, Debtor grants Collateral Agent power of attorney, coupled with an interest, having the full authority, and in the place of Debtor and in the name of Debtor, from time to time during the occurrence and continuance of an Event of Default in Collateral Agent's discretion, to take any action and to execute any instrument which Collateral Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of this Agreement: to endorse Debtor's name on all applications, documents,

papers, and instruments necessary for Collateral Agent to use or maintain the Intellectual Property Collateral; to ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of any of the Intellectual Property Collateral; to file any claims or take any action or institute any proceedings that Collateral Agent may deem necessary for the collection of any of the Intellectual Property Collateral or otherwise to enforce Debtor's or the Secured Parties' rights with respect to any of the Intellectual Property Collateral and to assign, pledge, convey, or otherwise transfer title in or dispose of the Intellectual Property Collateral to any person.

7. **Events of Default.**

An Event of Default shall be an Event of Default under this Agreement.

8. **Specific Remedies.**

Upon the occurrence and continuation of any Event of Default, Collateral Agent shall have, in addition to, other rights given by law or in this Agreement, the Note Agreement, the Security Agreement, or in the Notes, all of the rights and remedies with respect to the Intellectual Property Collateral of a secured party under the Code, including the following:

(a) **Notification.** Collateral Agent may notify licensees to make royalty payments on license agreements directly to Collateral Agent for the benefit of the Secured Parties.

(b) **Sale.** Collateral Agent may sell or assign the Intellectual Property Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Collateral Agent deems advisable. Any requirement of reasonable notice of any disposition of the Intellectual Property Collateral shall be satisfied if such notice is sent to Debtor thirty days prior to such disposition. Debtor shall be credited with the net proceeds of such sale only when they are actually received by Collateral Agent, and Debtor shall continue to be liable for any deficiency remaining after the Intellectual Property Collateral is sold or collected. If the sale is to be a public sale, Collateral Agent shall also give notice of the time and place by publishing a notice one time at least ten days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held. To the maximum extent permitted by applicable law, Collateral Agent may be the purchaser of any or all of the Intellectual Property Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Intellectual Property Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any collateral payable by Collateral Agent at such sale.

(c) For the purpose of enabling Secured Parties to exercise the rights and remedies in the case of an Event of Default and for no other purpose, Debtor hereby grants to Collateral Agent for the benefit of Secured Parties, to the extent assignable, an irrevocable (except as hereinafter set forth), non-exclusive license (exercisable without payment of royalty or other compensation to Debtor other than a credit against the Obligations of Debtor in an amount not less than the fair market value of such Intellectual Property Collateral so used, assigned,

licensed or sublicensed) to use, assign, license or sublicense any of the Intellectual Property Collateral now owned or hereafter acquired by Debtor, wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof. Notwithstanding anything herein to the contrary, such license shall not be effective unless and until an Event of Default shall have occurred and be continuing beyond the expiration of any applicable grace periods.

(d) Notwithstanding anything contained herein to the contrary, so long as no Event of Default shall have occurred and be continuing beyond any grace period, Debtor will be permitted exclusively to exploit, use, enjoy, protect, license, sublicense, assign, sell, dispose of or take other actions with respect to the Intellectual Property Collateral in the ordinary course of the business of Debtor. In furtherance of the foregoing, unless an Event of Default shall have occurred and be continuing, Collateral Agent shall from time to time, upon the request of Debtor, execute and deliver any instruments, certificates or other documents, in the form so requested, that Debtor shall have certified are appropriate to allow it to take any action permitted above. Further, upon the payment in full of all of the Obligations, earlier expiration of this Agreement or release of the Intellectual Property Collateral, the license granted pursuant to clause (c) above shall terminate. The exercise of rights and remedies upon an Event of Default by Secured Parties shall not terminate the rights of the holders of any license or, sublicense or other interest theretofore granted by Debtor in accordance with the first sentence of this clause (d).

(e) Secured Party, without liability to Debtor may, upon the occurrence and during the continuance of an Event of Default, (A) take control of funds generated by the Intellectual Property Collateral, such as license and maintenance and support fees or royalty payments and use same to reduce any part of the Obligations and exercise any other rights which an owner of such Collateral may exercise; and (B) demand, collect, convert, redeem, receipt for, settle, compromise, adjust, sue for, foreclose or realize upon the Intellectual Property Collateral, in its own name or in the name of Debtor, as the Secured Parties may determine. The Secured Parties shall not be liable for failure to collect any account or fees, or for any act or omission on the part of the Secured Parties, or their respective officers, agents or employees, except willful misconduct and gross negligence.

9. **Choice of Law**

The Code shall govern the perfection and the effect of attachment and perfection of the Collateral Agent's security interest in the Collateral, and the rights, duties and obligations of the Secured Parties, the Collateral Agent and Debtor with respect to the Intellectual Property Collateral. This Agreement shall be deemed to be a contract under the laws of the State of Delaware and, to the extent not inconsistent with the preceding sentence, the terms and provisions of this Agreement shall be governed by and construed in accordance with the laws of that State.

10. **General Provisions**

(a) **Effectiveness.** This Agreement shall be binding and deemed effective when executed by Debtor and Collateral Agent.

(b) Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; *provided, however*, that Debtor may not assign the Agreement or any rights or duties hereunder without Collateral Agent's prior written consent and any prohibited assignment shall be absolutely void. Collateral Agent may assign this Agreement and its rights and duties hereunder, subject only to Section 7.9 of the Note Agreement, and no consent or approval by Debtor is required in connection with any such assignment.

(c) Section Headings. The section headings contained in this Agreement are for reference purposes only and shall not control or affect its construction or interpretation in any respect.

(d) Interpretation. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Collateral Agent or Debtor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

(e) Severability of Provisions. The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall for any reason be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability of such provision in any other jurisdiction or any other provision of this Agreement in any jurisdiction.

(f) Amendments in Writing. This Agreement can only be amended by a writing signed by both Collateral Agent and Debtor.

(g) Counterparts; Telefacsimile Execution. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile also shall deliver a manually executed counterpart of this Agreement but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

(h) Fees and Expenses. Debtor shall pay to Collateral Agent on demand all costs and expenses that Collateral Agent pay or incur in connection with the administration, enforcement, and termination of this Agreement, including: (a) reasonable attorneys' and paralegals' fees and disbursements of counsel to Collateral Agent; (b) reasonable costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) for any amendment, supplement, waiver, consent, or subsequent closing in connection with this Agreement and the transactions contemplated hereby; (c) costs and expenses of lien and title searches; (d) taxes, fees, and other charges for filing this Agreement at the United States Patent and Trademark Office and United States Copyright Office, or for filing financing statements, and

continuations, and other actions to perfect, protect, and continue the security interest created hereunder; (e) sums paid or incurred to pay any amount or take any action required of Debtor under this Agreement that Debtor fails to pay or take; (f) costs and expenses of preserving and protecting the Intellectual Property Collateral; and (g) actual and reasonable out-of-pocket expenses (including actual and reasonable attorneys' and paralegals' fees and disbursements) paid or incurred to enforce the security interest created hereunder, sell or otherwise realize upon the Intellectual Property Collateral, and otherwise enforce the provisions of this Agreement, or to defend any claims made or threatened against the Collateral Agent arising out of the transactions contemplated hereby (including preparations for the consultations concerning any such matters). The foregoing shall not be construed to limit any other provisions of this Agreement or the Transaction Documents regarding costs and expenses to be paid by Debtor.

(i) Notices. Except as otherwise provided herein, all notices, demands, and requests that either party is required or elects to give to the other shall be in writing and shall be governed by the provisions of Section 9(a) of the Security Agreement.

(j) Termination by Agent. Collateral Agent shall release its security interest in the Intellectual Property Collateral at such time as the Obligations have been fully and finally discharged, the outstanding Notes have been paid in full, and the Secured Parties' obligation to provide additional credit under the Note Agreement has been terminated, and in such event at the reasonable request of Debtor Secured Parties and Collateral Agent each shall, at Debtor's expense, make such filings with the State of Delaware and the United States Patent and Trademark Office and the United States Copyright Office as may be deemed by Debtor to be necessary or appropriate to evidence such release and terminate any financing statement nor notice relating to the liens and security interests created hereby. In the event that, for any reason, any portion of such payments to the Secured Parties is set aside or restored, whether voluntarily or involuntarily, after the making thereof, then the obligation intended to be satisfied thereby shall be revived and continued in full force and effect as if said payment or payments had not been made.

(k) Integration. This Agreement, together with the other Transaction Documents, reflect the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, entered into before the date hereof.

(l) Resolution of Conflicts. In the event that any express provision or term of this Agreement conflicts with the express provisions and terms of the Note Agreement, the provision or term in the Note Agreement shall control.

(m) Confidentiality. Secured Parties and Collateral Agent acknowledge and agree that the information set forth in Exhibit A and Exhibit B attached hereto (the "**IP Information**") contains proprietary information of Debtor, including trade secrets and that disclosure of the IP Information to third parties could adversely affect the value of the Intellectual Property Collateral. Accordingly, Secured Parties and Collateral Agent agree to keep the IP Information strictly confidential and to ensure that the IP Information is not disclosed to any third parties. Debtor agrees to assist Collateral Agent in creating a summary version of the IP Information as may be necessary for filing with the United States Patent and Trademark

Office and any other applicable filing offices to perfect the security interest created hereunder while avoiding unnecessary disclosure.

(n) Collateral Agent. In the event that the Collateral Agent shall resign as Collateral Agent and a successor Collateral Agent shall be appointed in accordance with Section 6 of the Note Agreement, this Agreement shall be deemed to be between the Debtor and such successor Collateral Agent. In the event that the Collateral Agent shall resign as Collateral Agent and no successor is appointed, then this Agreement shall be deemed to be between the Debtor and the Secured Parties.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

DEBTOR:

CORETRACE CORPORATION

By:  _____

Name: TOMMY KENNEDY

Title: PRESIDENT & CEO

COLLATERAL AGENT,

on behalf of itself and the Secured Parties:

HUNT VENTURES FUND I, L.P.

By: HV Fund I GP, LLC

Its: General Partner

By: _____

Steven T. Coffey

President and Managing Director

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

DEBTOR:

CORETRACE CORPORATION

By: _____
Name: _____
Title: _____

COLLATERAL AGENT,

on behalf of itself and the Secured Parties:

HUNT VENTURES FUND I, L.P.

By: HV Fund I GP, LLC
Its: General Partner

By: 
Steven T. Coffey
President and Managing Director

EXHIBIT A

PATENTS

US Patent No. 7,398,389 - Kernel-based network security infrastructure.

US Patent No. 7,711,952 - Method and system for license management

Provisional patent filed for Trusted Change (file number pending)

EXHIBIT B

TRADEMARKS

USPTO Trademark Reg. No. 2,744,325, Registered July 29, 2003: "CORETRACE"

USPTO Trademark Reg. No. 3,856,462, Registered October 5, 2010: "PLANET ANTIVIRUS"

USPTO Trademark Reg. No. 3,873,781, Registered November 9, 2010: "CORETRACE
BOUNCER"

EXHIBIT C

COPYRIGHTS

None.