

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.		10/25/2012	CORPORATION: VIRGINIA

RECEIVING PARTY DATA

Name:	EagleBank
Street Address:	7830 Old Georgetown Road
Internal Address:	3rd Floor
City:	Bethesda
State/Country:	MARYLAND
Postal Code:	20814
Entity Type:	CORPORATION: MARYLAND

PROPERTY NUMBERS Total: 28

Property Type	Number	Word Mark
Registration Number:	2857168	FOLIO ADVISOR
Registration Number:	2808508	FOLIO ALLOCATOR
Registration Number:	3780564	FOLIO INSTITUTIONAL
Registration Number:	3965459	FOLIO INSTITUTIONAL
Registration Number:	3965458	FOLIO INVESTING
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:	3965460	FOLIO(K)
Registration Number:	2589345	FOLIOFN
Registration Number:	2709678	FOLIOFN

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Registration Number:	2891515	FOLIOFN INSTITUTIONAL
Registration Number:	2689009	FOLIOFN
Registration Number:	2689010	FOLIOFN
Registration Number:	2940323	FOLIOFN WHAT'S NEXT
Registration Number:	2663525	FOLIOTRADE
Registration Number:	2869537	FOLIOVOTE
Registration Number:	4022688	NEVER INVEST ALONE
Registration Number:	3069543	PROXY GOVERNANCE, INC.
Registration Number:	3626056	SUCCESSFUL INVESTING MADE SIMPLE
Registration Number:	3692293	WHERE POSSIBILITIES BECOME PRACTICE
Serial Number:	85495789	FOLIO CLIENT
Serial Number:	85706089	FOLIOS
Serial Number:	85417308	FOLIO LABS, INC.
Serial Number:	85417307	FOLIO RESEARCH, LLC
Serial Number:	85417309	FOLIOS, LLC

CORRESPONDENCE DATA

Fax Number: 2024202201
Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.
Phone: 202-420-2200
Email: gregoryd@dicksteinshapiro.com
Correspondent Name: Dickstein Shapiro LLP
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Address Line 4: Washington, DISTRICT OF COLUMBIA 20006

ATTORNEY DOCKET NUMBER:	E0008.0020
NAME OF SUBMITTER:	//Donald A. Gregory//
Signature:	//DAG//
Date:	11/08/2012

Total Attachments: 27

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PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (this "Security Agreement") is entered into as of October 25, 2012, by and between FOLIO/n, Inc., a Virginia corporation (the "Debtor"), and EagleBank, a Maryland banking corporation (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 Maryland Uniform Commercial Code. Terms defined in Article 9 of the UCC that are not otherwise defined in this Security Agreement are used herein as defined in the 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 the 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, including, without limitation all Intellectual Property. The Collateral includes all assets of the Debtor.

"Control" shall have the meaning set forth in Article 8 or, if applicable, in Section 9-104, 9-105, 9-106 or 9-107, of the 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.

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"Intellectual Property" means trademarks, trade names, domain names, service marks, mask words, copyrights, patents, and applications therefor, licenses and other intellectual property.

"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 Debtor not constituting Accounts, Chattel Paper, Commercial Tort Claims, Documents, Equipment, Fixtures, General Intangibles, Instruments, Inventory, Investment Property or Pledged Deposits under the 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.

"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 sixty (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 10(e) of the Loan Agreement.
- (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.

"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

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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 Article 8 of the 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 any act, event or condition that shall have occurred and be continuing which with notice or the lapse of time, or both, shall constitute a Default.

"UCC" means the Uniform Commercial Code as adopted in the State of Maryland (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 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 has full power and

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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 a fully perfected first priority security interest in (a) that Collateral in which a security interest may be perfected under Maryland 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 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 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.

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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. 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 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, in addition to any affirmative and negative covenants in the Loan Agreement or other agreements between the Debtor and the Secured Party, as follows:

4.1. General.

4.1.1 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.

4.1.2 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.

4.1.3 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.

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4.2. Receivables.

4.2.1 Certain Agreements on Receivables. After an Event of Default, 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.

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 and the effect of such discount, credit or agreement is not clearly reflected in the financial statements provided to the Secured Party by the Debtor, 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 and the effect of such dispute is not clearly reflected in the financial statements provided to the Secured Party by the Debtor, the Debtor will disclose such fact to the Secured Party in writing at the time of the delivery of such financial statements.

4.2.5 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.

4.3. 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.

4.4. 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.

4.5. Stock and Other Ownership Interests.

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4.5.1 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.

4.5.2 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 this Section and to receive any sums which it may be entitled to receive under this Section, (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.

4.6. 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.

4.7. 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.

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4.8. 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.

4.9. 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.

4.10. Intellectual Property.

4.10.1 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, the security interest granted to the Secured Party hereunder shall automatically apply thereto. The Debtor agrees promptly upon request by the Secured Party to provide an update to Part C of Exhibit B and 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.

4.10.2 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.

4.11. Commercial Tort Claims. The Debtor has no Commercial Tort Claims as of the date hereof. The Debtor agrees promptly upon request by the Secured Party to provide an update to Exhibit F and 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.

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 the Loan Agreement such that there is a Default under the Loan Agreement or Article VII hereof that may reasonably be expected to cause any material damage to the Secured Party or the Secured Party's security hereunder.

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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 hereby or by 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 UCC (whether or not the 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;

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(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 (10) 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

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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 in the Loan Agreement, 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.

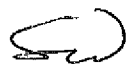
8.6. Use and Possession of Certain Premises. Upon the occurrence and during the continuance of a Default, the Debtor shall permit, and shall use reasonable efforts to cause any applicable landlord to permit, the Secured Party to occupy and use any premises owned or leased by the Debtor where any of the 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 STATE OF MARYLAND.**

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:

8180 Greensboro Drive
8th Floor
McLean, VA 22102
Phone: (703) 245-4000
Fax: (703) 245-4800

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E-mail: hoganm@foliofn.com

Attention: General Counsel and to Steven Wallman at wallmans@folioinvesting.com

If to the Secured Party:

7830 Old Georgetown Road

3rd Floor, Bethesda, Maryland 20814

Phone: 240-497-2048

Fax: 301-718-8973

Attention: John A. Bettini, Senior Vice President

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.


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

DEBTOR:


FOLIOPH, INC

By: 
Name: Steven M.H. Wallman
Title: Chief Executive Officer

SECURED PARTY:

LENDER

EAGLEBANK

By: 
Name: John A. Bettini
Title: Senior Vice President

[SIGNATURE PAGE TO PLEDGE AND SECURITY AGREEMENT]

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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: 8180 Greensboro Drive
8th Floor
McLean, VA 22102

FEIN: 54-1966544

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

FOLIOfn, Inc.
FOLIO[fn], Inc.
FolioTrade, Inc.
FolioTrade, LLC

Locations of Inventory and Equipment and Fixtures:

A. Properties Owned by the Debtor:

None

B. Properties Leased by the Debtor

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

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Cogent Communications hosting facility at 510 Huntmar Park, Herndon, VA 20170.

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 also has documents and electronic media storage with Iron Mountain.

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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:

Trademark Registrations and Pending Applications

Country	Mark	Status	Reg. Date/ Filing Date	Reg. No./ Appl. No.
Canada	FOLIOFN	Registered	11-Aug-2006	TMA669,684
China (People's Republic)	FOLIOFN	Registered	01-May-2008	958,967
European Community	FOLIOFN	Registered	20-Nov-2001	1674902
Int'l Registration - Madrid Protocol Only	FOLIOFN	Registered	01-May-2008	958,967
Mexico	FOLIOFN	Registered	30-Jan-2004	820,173
United States of America	FOLIO ADVISOR	Registered	29-Jun-2004	2,857,168
United States of America	FOLIO ALLOCATOR	Registered	27-Jan-2004	2,808,508
United States of America	FOLIO CLIENT	Pending	15-Dec-2011	85/495,789
United States of America	FOLIO INSTITUTIONAL	Registered	27-Apr-2010	3,780,564
United States of America	FOLIO INSTITUTIONAL & Design	Registered	24-May-2011	3,965,459
United States of America	FOLIO INVESTING & Design	Registered	24-May-2011	3,965,458
United States of America	FOLIO Investing (Stylized)	Registered	05-Nov-2002	2,646,466
United States of America	FOLIO LABS, INC.	Published	08-Sep-2011	85/417,308
United States of America	FOLIO LOADER	Registered	27-Jun-2006	3,109,610
United States of America	FOLIO MANAGED ACCOUNTS	Registered	07-Dec-2004	2,908,830

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Country	Mark	Status	Reg. Date/ Filing Date	Reg. No./ Appl. No.
United States of America	FOLIO MANAGER	Registered	05-Oct-2004	2,891,526
United States of America	FOLIO RESEARCH, LLC	Published	08-Sep-2011	85/417,307
United States of America	FOLIO WIZARD	Registered	26-Oct-2004	2,897,184
United States of America	FOLIO(K)	Registered	24-May-2011	3,965,460
United States of America	FOLIOFN	Registered	02-Jul-2002	2,589,345
United States of America	FOLIOFN	Registered	22-Apr-2003	2,709,678
United States of America	FOLIOFN INSTITUTIONAL	Registered	05-Oct-2004	2,891,515
United States of America	FOLIOfn Stylized	Registered	18-Feb-2003	2,689,009
United States of America	FOLIOfn Stylized	Registered	18-Feb-2003	2,689,010
United States of America	FOLIOFN WHAT'S NEXT	Registered	12-Apr-2005	2,940,323
United States of America	FOLIOS	Pending	17-Aug-2012	85/706,089
United States of America	FOLIOS, LLC	Published	08-Sep-2011	85/417,309
United States of America	FOLIOTRADE	Registered	17-Dec-2002	2,663,525
United States of America	FOLIOvote Stylized	Registered	03-Aug-2004	2,869,537
United States of America	NEVER INVEST ALONE	Registered	06-Sep-2011	4,022,688
United States of America	PROXY GOVERNANCE, INC.	Registered	14-Mar-2006	3,069,543
United States of America	SUCCESSFUL INVESTING MADE SIMPLE	Registered	26-May-2009	3,626,056
United States of America	WHERE POSSIBILITIES BECOME PRACTICE	Registered	06-Oct-2009	3,692,293

Patents Issued and Pending Applications

Client	Matter	Country	Title	Status	Application No	Application Date	Grant No	Grant Date
10392	46001	U.S.	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR*	GRANTED	09/038158	11-Mar-98	6996539 B1	7-Feb-06
10392	46002	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	GRANTED	09/139020	24-Aug-98	6601044 B1	29-Jul-03
10392	46003	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	GRANTED	10/440142	19-May-03	7117176 B2	3-Oct-06
10392	46004	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A	GRANTED	10/435591	12-May-03	7110971 B2	19-Sep-06

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10392	46005	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	PENDING	12/476628	2-Jun-09		
10392	46010	Australia	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	28994/99	5-Mar-99	774433	7-Oct-04
10392	46022	Canada	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	UNDER EXAM	2323425	5-Mar-99		
10392	46037	Egypt	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	245/99	11-Mar-99	21952	30-Apr-02
10392	46054	Israel	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	138388	5-Mar-99	138388	26-Dec-05
10392	46062	Mexico	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	8877	5-Mar-99	219898	14-Apr-04
10392	46084	Singapore	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	200005142-5	5-Mar-99	75700	31-Mar-06
10392	46085	South Africa	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	99/1954	10-Mar-99	99/1954	27-Dec-00
10392	46090	Taiwan	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	88103715	11-Mar-99	NI-145549	22-Mar-02
10392	46095	Venezuela	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	UNDER EXAM	434-99	10-Mar-99		
10392	46101	U.S.	TAX MANAGER	GRANTED	09/153143	14-Sep-98	6161098	12-Dec-00
10392	46102	U.S.	TAX MANAGER	GRANTED	09/688975	17-Oct-00	6516303 B1	4-Feb-03
10392	46110	Australia	TAX MANAGER	GRANTED	58141/99	9-Sep-99	769664	13-May-04
10392	46201	U.S.	METHOD, SYSTEM, AND APPARATUS FOR MANAGING RISK WITHIN A PORTFOLIO	GRANTED	09/249022	12-Feb-99	6360210 B1	19-Mar-02

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10392	46210	Australia	METHOD, SYSTEM, AND APPARATUS FOR MANAGING RISK WITHIN A PORTFOLIO	GRANTED	22255/00	13-Jan-00	773873	23-Sep-04
10392	46222	Canada	METHOD, SYSTEM, AND APPARATUS FOR MANAGING RISK WITHIN A PORTFOLIO	PENDING	2362430	13-Jan-00		
10392	46284	Singapore	METHOD, SYSTEM, AND APPARATUS FOR MANAGING RISK WITHIN A PORTFOLIO	GRANTED	200104717-4	13-Jan-00	82751	30-Sep-03
10392	46285	South Africa	METHOD, SYSTEM, AND APPARATUS FOR MANAGING RISK WITHIN A PORTFOLIO	GRANTED	20016549	13-Jan-00	2001/6549	29-Jan-03
10392	46401	U.S.	METHOD AND SYSTEM FOR INVESTING IN A GROUP OF INVESTMENTS THAT ARE SELECTED BASED ON THE AGGREGATED, INDIVIDUAL PREFERENCES OF PLURAL+	GRANTED	09/339299	24-Jun-99	6338047 B1	8-Jan-02
10392	46410	Australia	METHOD AND SYSTEM FOR INVESTING IN A GROUP OF INVESTMENTS THAT ARE SELECTED BASED ON THE AGGREGATED, INDIVIDUAL PREFERENCES OF PLURAL+	GRANTED	58858/00	23-Jun-00	772450	12-Aug-04
10392	46501	U.S.	METHOD AND APPARATUS FOR INTERACTING WITH INVESTORS TO CREATE INVESTMENT PORTFOLIOS	GRANTED	09/516791	1-Mar-00	6801199 B1	5-Oct-04
10392	46701	U.S.	METHOD AND APPARATUS FOR TRADING SECURITIES OR OTHER INSTRUMENTS ON BEHALF OF CUSTOMERS	GRANTED	09/516792	1-Mar-00	7047218 B1	16-May-06
10392	46803	U.S.	METHOD AND APPARATUS FOR TRADING SECURITIES OR OTHER INSTRUMENTS	GRANTED	11/898150	10-Sep-07	7844538 B2	30-Nov-10
10392	46902	U.S.	METHOD AND APPARATUS FOR CORPORATE VOTING	GRANTED	11/218589	6-Sep-05	7640182 B2	29-Dec-09
10392	46903	U.S.	METHOD AND APPARATUS FOR CORPORATE VOTING	GRANTED	12/629556	2-Dec-09	8078490 B2	13-Dec-11
10392	460041	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	GRANTED	10/627873	28-Jul-03	7546267 B2	9-Jun-09
10392	460042	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	GRANTED	10/627646	28-Jul-03	7685046 B1	23-Mar-10
10392	460043	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	GRANTED	10/627626	28-Jul-03	8099344 B2	17-Jan-12
10392	460044	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A COST EFFECTIVE BASIS	GRANTED	10/627921	28-Jul-03	7552082 B2	23-Jun-09
10392	460045	U.S.	METHOD AND APPARATUS FOR ENABLING INDIVIDUAL OR SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR LIABILITIES ON A	GRANTED	12/701286	5-Feb-10	8275690 B2	25-Sep-12

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10392	460571	Japan	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	GRANTED	2009-276905	5-Mar-99	4950271	16-Mar-12
10392	460572	Japan	METHOD AND APPARATUS FOR ENABLING SMALLER INVESTORS OR OTHERS TO CREATE AND MANAGE A PORTFOLIO OF SECURITIES OR OTHER ASSETS OR+	PENDING	2012-008131	5-Mar-99		

Application Number	Patent	Publication Number	Attorney Docket No.	Status Date	Filing Date	Status
<u>12/725,204</u>	-	US 2010-0235299 A1	FOLI008US1	8/14/2012	3/16/2010	Non-final office action mailed
<u>12/380,181</u>	-	US 2009-0259597 A1	FOLI006USD1	6/12/2012	2/24/2009	Notice of Appeal filed
<u>10/421,384</u>	-	US 2003-0229561 A1	FOLI005US0	5/30/2012	4/23/2003	Final rejection mailed
<u>12/378,495</u>	8,086,514	US 2009-0254490 A1	FOLI002USC1	12/7/2011	2/17/2009	Patented
10/644,891	-	US 2004-0064394 A1	1061/6	03-01-2011	8/20/2003	Docketed New Case - Ready for Examination
09/690,886					10/18/2000	
09/572,694					5/16/2000	
60/341,459 10/318,355					12/13/2001 12/12/2002	

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EXHIBIT C

(See Section 3.9 of Security Agreement)

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

8180 Greensboro Drive, 8th Floor
McLean, VA 22102

Name and Address of Record Owner:

Greensboro Park Property Owner LLC
8180 Greensboro Drive
McLean, VA 22102

703-883-3931

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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>
FOLIO <i>fn</i> Investments, Inc.	uncertificated	1000

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>
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*Securities not subject to pledge are all securities held or owned by FOLIO*fn* Investments, Inc. including in its fractional share account, its error account, its accounts for testing and managing ready-to-go Folios and investment strategies, all demo accounts or otherwise, and all securities beneficially owned by customers.

See

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)

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: 8180 Greensboro Drive
8th Floor
McLean, VA 22102

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[*fm*] 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[*fm*]
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

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.

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 also has documents and electronic media storage with Iron Mountain.