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**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

This Intellectual Property Security Agreement is entered into as of 1/17/2006, 2005 NETREGULUS, INC. ("Grantor") in favor of SILICON VALLEY BANK ("Bank") having an address at 3003 Tasman Drive, Santa Clara, CA 95054-1191.

RECITALS

A. Bank has agreed to make certain advances and credit extensions to Grantor (the "Advances") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated as of the date hereof (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"). Capitalized terms used herein but not defined herein are used as defined in the Loan Agreement. Bank is willing to make Advances to Grantor, but only upon the condition, among others, that Grantor grants to Bank a security interest in certain Copyrights, Trademarks, Patents, and Mask Works (all as defined herein) of Grantor to secure the Obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of Grantor's Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of the Obligations under the Loan Agreement, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure the Obligations of Grantor under the Loan Agreement, Grantor grants to Bank a security interest in all of Grantor's right, title and interest in, to and under the intellectual property owned by Grantor, including, without limitation, the following:

- (a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including, without limitation, those set forth on Exhibit A attached hereto (collectively, the "Copyrights");
- (b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;
- (c) Any and all design rights, which may be available to Grantor now or hereafter existing, created, acquired or held;
- (d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including, without limitation, the patents and patent applications set forth on Exhibit B attached hereto (collectively, the "Patents");
- (e) Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including, without limitation, those set forth on Exhibit C attached hereto (collectively, the "Trademarks")
- (f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation, those set forth on Exhibit D attached hereto (collectively, the "Mask Works");

(g) Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(h) All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights; and

(i) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

(j) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement and shall terminate upon (i) payment of all Obligations under the Loan Agreement, and (ii) termination of Bank's commitment to made credit extensions to Grantor under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by Bank, of any or all other rights, powers or remedies. Upon payment in full in cash of the Obligations under the Loan Agreement, and at such time as Bank's obligation to make credit extensions under the Loan Agreement has terminated, Bank shall, at Grantor's sole cost and expense, release its liens in the Collateral and all rights therein shall revert to Grantor.

IN WITNESS WHEREOF, Grantor has cause this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

NETREGULUS, INC. .

11755 E. Peakview Ave.  
Centennial, CO 80111

By: *David G. Schubert*

Title: *PRESIDENT & CEO*

Attn: *Chief Financial Officer*

EXHIBIT A

Copyrights

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

EXHIBIT B

Patents

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application/ Date</u>
NETREGULUS (Class 9)	Registration No. 2,670,978	Registered: 01/07/2003
NETREGULUS (Class 35; Class 42)	Registration No. 2,638,255	Registered: 10/22/2002

EXHIBIT D

Mask Works

Description

Registration/  
Application  
Number

Registration/  
Application  
Date