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
LINUX NETWORX, INC.		07/06/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	COMERICA BANK
Street Address:	75 E. TRIMBLE ROAD
Internal Address:	MC 4770
City:	San Jose
State/Country:	CALIFORNIA
Postal Code:	95131
Entity Type:	Michigan Banking Corporation:

PROPERTY NUMBERS Total: 13

Property Type	Number	Word Mark
Registration Number:	2714075	EVOLOCITY
Registration Number:	2568116	CLUSTERWORX
Registration Number:	3011701	ICEBOX
Registration Number:	2896522	LINUX NETWORX
Serial Number:	78854514	LNXI
Serial Number:	78823074	ATC
Serial Number:	78822106	LINUX SUPERSYSTEMS
Serial Number:	78822099	LINUX SUPERCOMPUTING
Serial Number:	78822096	LS/X
Serial Number:	78822090	LS-1
Serial Number:	78766515	THE LINUX SUPERCOMPUTING COMPANY
Serial Number:	78764849	LINUX NETWORX
Serial Number:	78764831	

TRADEMARK

900054049 REEL: 003354 FRAME: 0701

CORRESPONDENCE DATA

Fax Number: (858)550-6420

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 858-550-6403

Email: erin.obrien@cooley.com

Correspondent Name: Erin O'Brien

Address Line 1: 4401 Eastgate Mall

Address Line 4: San Diego, CALIFORNIA 92121

ATTORNEY DOCKET NUMBER:	036703-1181 LINUX
NAME OF SUBMITTER:	Erin O'Brien
Signature:	/Erin O'Brien/
Date:	07/25/2006

Total Attachments: 6

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of July 6, 2006 by and between COMERICA BANK ("Bank") and LINUX NETWORX, INC., a Delaware corporation ("Grantor").

RECITALS

- A. Bank has agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement dated as of August 5, 2004, as amended from time to time including by that certain First Amendment to Loan and Security Agreement dated as of September 2, 2005, that certain Second Amendment to Loan and Security Agreement dated as of November 30, 2005, that certain Third Amendment to Loan and Security Agreement dated as of December 20, 2005 and that certain Fourth Amendment to Loan and Security Agreement 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 are used as defined in the Loan Agreement). Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents 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 the 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 its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Grantor and Bank, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank 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 any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

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This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

IN WITNESS WHEREOF, the parties have caused 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:	LINUX NETWORX, INC.
19444 Pony Express Rd. Bluffdale, UT 84065	Ву:
Attn: Chief Executive Officer	Title:
	BANK:
Address of Bank:	COMERICA BANK
75 East Trimble Road, M/C 4770	Ву:
San Jose, California 95131	11/1/17
Attn: Manager	Title:

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

IN WITNESS WHEREOF, the parties have caused 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:	LINUX NETWORX, INC.
19444 Pony Express Rd. Bluffdale, UT 84065	By: Thut M. Humensled
Attn: Chief Executive Officer	Title: CFO
	BANK:
Address of Bank:	COMERICA BANK
75 East Trimble Road, M/C 4770	Ву:
San Jose, California 95131 Attn: Manager	Title:

EXHIBIT A

Copyrights

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

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EXHIBIT B

Patents

<u>Description</u>	Patent Application No./Issued Patent No.	<u>Date</u>
Ventilated housing for electrical components	6975510	12/13/2005
Sub rack based vertical housing for computer systems	6487080	11/26/2002
Sub rack based vertical housing for computer systems	6661667	12/9/2003
Sub rack based vertical housing for computer systems	6847526	1/25/2005
Apparatus and method for maximizing equipment storage density	6862187	3/1/2005
Apparatus and method for maximizing equipment storage density	6906925	6/14/2005

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TRADEMARK

EXHIBIT C

Trademarks

Description	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
Evolocity	2,714,075	5/6/2003
Clusterworx	2,568,116	5/7/2002
Icebox	3,011,701	11/1/2005
Linux Networx (and design)	2,896,522	10/26/2004
LNXI (block letters)	78-854514	4/5/2006
ATC (block letters)	78-823074	2/24/2006
Linux Supersystems (block letters)	78-822106	2/23/2006
Linux Supercomputing (block letters)	78-822099	2/23/2006
LS/X (block letters)	78-822096	2/23/2006
LS-1 (block letters)	78-822090	2/23/2006
The Linux Supercomputing Company (block letters)	78-766515	12/5/2005
Linux Networx (and design)	78-764849	12/1/2005
(design only)	78-764831	12/1/2005

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RECORDED: 07/25/2006