Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	YPE: NEW ASSIGNMENT			
NATURE OF CONVEYAN	ICE:	SECURITY AGREEMENT		
CONVEYING PARTY DA	ТА			
		Name	Execution Date	
QUARTICS, INC.			10/28/2008	
RECEIVING PARTY DAT	A			
Name: CC	OMERICA BANK	•		
Street Address: 75	EAST TRIMBLE	EROAD		
Internal Address: M/	/C 4770			
City: SA	SAN JOSE			
State/Country: CA	CALIFORNIA			
Postal Code: 95	95131			
Name:	ERCULES TECH	INOLOGY GROWTH CAPITAL, INC.]	
Street Address: 40	400 Hamilton, Suite 310			
City: Pa	Palo Alto			l l l l l l l l l l l l l l l l l l l
State/Country: CA				2000
Postal Code: 94	94301			
PROPERTY NUMBERS T	Fotal: 5			
Property Type		Number		
Application Number: 099		6720		
Application Number: 100		4753		
Application Number: 10		8320		
Application Number: 100		4559		

CORRESPONDENCE DATA

Fax Number:(858)638-5033Correspondence will be sent via US Mail when the fax attempt is unsuccessful.Phone:8586386733

500694591

Email: Correspondent Name: Address Line 1: Address Line 2: Address Line 4:	karen.johanson@dlapiper.com DLA PIPER US LLP 4365 Executive Drive, Suite 1100 ATTN: KAREN JOHANSON San Diego, CALIFORNIA 92121	
ATTORNEY DOCKET NUMBER:		329034-136
NAME OF SUBMITTER:		Troy Zander
Total Attachments: 6 source=Quartics IPSA#page1.tif source=Quartics IPSA#page2.tif source=Quartics IPSA#page3.tif source=Quartics IPSA#page4.tif source=Quartics IPSA#page5.tif source=Quartics IPSA#page6.tif		

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of October 28, 2008 by and between COMERICA BANK ("Comerica"), HERCULES TECHNOLOGY GROWTH CAPITAL, INC. ("Hercules" and collectively with Comerica, "Lenders") and QUARTICS, INC., a Delaware corporation ("Grantor").

RECITALS

A. Lenders and Grantor are parties to that certain Amended and Restated Loan and Security Agreement by and between Lenders and Grantor dated as of August 1, 2007 (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). Lenders and Grantor propose to enter into a First Amendment to Amended and Restated Loan and Security Agreement dated as of the date hereof (the "Amendment"). Lenders have agreed to enter into the Amendment, but only upon the condition, among others, that Grantor shall grant to Lenders 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 Lenders 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 Lenders, 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 Lenders, Grantor grants and pledges to Lenders 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 Exhibits 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 Lenders under the Loan Agreement. The rights and remedies of Lenders 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 Lenders as a matter of law or equity. Each right, power and remedy of Lenders 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 Lenders 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 Lenders, 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.

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.

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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:

LENDERS:

By

Title

COMERICA BA

Address of Grantor:

15421 Laguna Canyon Rd., Suite 200 Irvine, CA 92618

Attn: Chief Financial Officer

QUART	TICS, INC.	1.
By: Title:	CHAIRMAN	<u>X</u> L

Address of Comerica:

75 East Trimble Road, M/C 4770 San Jose, California 95131 Attn: Manager

Address of Hercules:

Legal Department 400 Hamilton, Suite 310 Palo Alto, CA 94301 Attn: Chief Legal Officer

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

SENT

By:	·	
Title:		

[Signature Page to Intellectual Property Security Agreement]

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:

15421 Laguna Canyon Rd., Suite 200 Irvine, CA 92618

Attn: Chief Financial Officer

QUARTICS, INC. By: Title:

LENDERS:

By:

Title:

COMERICA BANK

Address of Comerica:

75 East Trimble Road, M/C 4770 San Jose, California 95131 Attn: Manager

Address of Hercules:

Legal Department 400 Hamilton, Suite 310 Palo Aito, CA 94301 Attn: Chief Legal Officer

HERCULES TECHNOLOGY GROWTH CAPITAL, INC. By:

Title: K. NIcholas Martitsch - Associate General Counsel -

[Signature Page to Intellectual Property Security Agreement]

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EXHIBIT A

Copyrights

Registration Number

Registration Date

Description

None.

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<u>EXHIBIT B</u>

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Patents

Description	Patent/App. No.	<u>File Date</u>
Combined scheduling and mapping of digital signal processing algorithms on a VLIW processor	09976720	10/12/01
Distributed processing architecture with scalable processing layers	10004753	12/3/01
Method and system for filtering a signal and providing echo cancellation using an adaptive length filter	10038320	10/19/01
Methods and systems for managing variable delays in packet transmission	10084559	2/25/02
Method and system for filtering a signal and for providing echo cancellation	7020279	3/28/06

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EXHIBIT C

Trademarks

Description	Serial/Registration No.	File Date
QVU	77037417	11/6/06
PC2TV	77037444	11/6/06

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> PATENT REEL: 021773 FRAME: 0878

RECORDED: 11/04/2008