

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Cswitch Corporation	06/17/2009
RECEIVING PARTY DATA	
Name:	Venture Lending & Leasing IV, V
Street Address:	2010 North First Street, Suite 310
City:	San Jose
State/Country:	CALIFORNIA
Postal Code:	95131
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	7176717
CORRESPONDENCE DATA	
Fax Number:	(650)858-2730
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	6508582720
Email:	psu@radlosu.com
Correspondent Name:	Peter Su
Address Line 1:	2479 E. Bayshore Road, Suite 800
Address Line 4:	Palo Alto, CALIFORNIA 94303
ATTORNEY DOCKET NUMBER:	AGTE 1001 US
NAME OF SUBMITTER:	Peter Su
Total Attachments: 14 source=Combined repossession letter#page1.tif source=Combined repossession letter#page2.tif source=Combined repossession letter#page3.tif source=Combined repossession letter#page4.tif source=Combined repossession letter#page5.tif	

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June 17, 2009

VIA EMAIL

Mr. Doug Laird
Chief Executive Officer
CSwitch Corporation
3131 Jay Street, Suite 200
Santa Clara, CA 95054

Re: Repossession of Collateral

Ladies and Gentlemen:

Reference is made to (i) the Loan and Security Agreement and Supplement thereto, both dated as of October 1, 2004, as supplemented by a Supplement No. 2 thereto dated as of July 12, 2006 (as the same have been amended, restated, supplemented and modified from time to time, the "2006 Loan Agreement"), between Cswitch Corporation, a Delaware corporation ("Borrower"), and Venture Lending & Leasing IV, Inc. ("VLL4"); and (ii) the Loan and Security Agreement and Supplement thereto, both dated as of February 28, 2008 (as the same have been amended, restated, supplemented and modified from time to time, the "2008 Loan Agreement" and some times being referred to hereinafter with the 2006 Loan Agreement, individually, as a "Loan Agreement" and collectively, as the "Loan Agreements"), among Borrower, VLL4, Venture Lending & Leasing V, Inc. ("VLL5") and Silicon Valley Bank ("SVB"). VLL4, VLL5 and SVB and sometimes being referred to hereinafter collectively, as the "Lenders" and VLL5, in its capacity as collateral agent for the Lenders under the 2008 Loan Agreement is sometimes referred to herein as "Agent." All capitalized terms not otherwise defined in this letter have the meanings ascribed to them in the Loan Agreements

Under the terms of the Loan Documents, Borrower granted to each Lender and Agent for the benefit of the Lenders under the 2008 Loan Agreement security interests in all existing and after acquired personal property of Borrower, including, but not limited to, all accounts, contract rights, general intangibles, intellectual property, inventory, equipment, fixtures, securities, investment property, cash, deposit accounts, goods and any interests therein and all proceeds of the foregoing (defined in the Loan Agreements as the "Collateral"), as security for Borrower's obligations and indebtedness under the Loan Agreements and the other Loan Documents (the "Obligations").

This agreement for peaceful re-possession and foreclosure is entered into with respect to the Loan Agreements. In the course of discussions among Borrower and Lenders over the past several

months, Borrower has indicated that it has made extended efforts to find an acquirer for Borrower or its assets and to raise additional equity. Those efforts have not yet been successful and substantially all of Borrower's employees have been furloughed. Borrower has only a limited amount of cash on hand, and without additional equity or debt financing Borrower will not be able to continue operations for more than a brief period nor will Borrower have the ability to pay all of its Obligations to Lenders under the Loan Agreements or to its trade creditors. Borrower's Board of Directors has determined that it is in the best interest of Borrower's creditors to wind down operations and minimize further expenses.

In consideration of the foregoing, the parties hereto agree as follows:

1. Borrower is now in default of its Obligations to Lenders, including defaults under Section 7.1(c) of the Loan Agreements, and as a result of such defaults all Obligations of Borrower to each Lender are now due and payable in full. Each Lender hereby confirms and declares such Events of Default exist, and accelerates all of the Obligations.

2. The aggregate amount of Borrower's Obligations to VLL4 under the Loan Agreements as of the date hereof is approximately [REDACTED] the aggregate outstanding amount of Borrower's Obligations to VLL5 under the 2008 Loan Agreement as of the date hereof is approximately [REDACTED] and the aggregate outstanding amount of Borrower's Obligations to SVB under the 2008 Loan Agreement as of the date hereof is approximately [REDACTED]. Such amounts exclude any costs, expenses, and professional fees which may have been incurred or may hereafter accrue.

3. Pursuant to the provisions of the Loan Agreements and Division 9 of the California Commercial Code ("CUCC"), Borrower shall immediately, following demand from the Lenders, either make available or deliver to Agent and Lenders, as secured parties: (i) custody and possession of all of the Collateral whether located at 3131 Jay Street, #200, Santa Clara, CA 95054 (the "Premises") or elsewhere, including receivables collections, cash on hand and on deposit in banks, all securities (including share certificates for each subsidiary of Borrower, if any), and all equipment, software, source code and related documentation; and (ii) all books and records pertaining to the Collateral of all types, wherever located, including any computer records (including passwords and source codes) and books concerning accounts receivable, for the purpose of collecting and holding the same, preparing the Collateral for collection, sale or other disposition, and conducting such sale or disposition, provided that Borrower, upon reasonable notice and for a proper purpose, shall have access to, and the ability to make copies of, such records and books. In order to preserve any going concern value of Borrower's business in connection with Lenders' foreclosure and ultimate disposition of Collateral, Borrower has asked that Lenders release to Borrower, or for Borrower's benefit, from the cash Collateral ("Cash Collateral") controlled by Lenders on deposit in bank(s), a portion of such Cash Collateral in an amount up to [REDACTED], which Borrower agrees to use to pay certain operating and other expenses previously approved by Lender ("Expenses"). As it may be in the interests of the unsecured creditors of Borrower and Lenders to permit Borrower to continue efforts to market Borrower and its assets, subject to Borrower's execution of this letter agreement, Lenders release such amount from the Cash Collateral for payment of items previously approved by Lenders. Borrower

agrees that if the actual amount used to pay the Expenses is less than the Cash Collateral released to Borrower pursuant to the previous sentence then Borrower shall promptly remit the excess amount to Lenders after such time as Borrower has paid such Expenses.

4. Borrower hereby authorizes Agent and each Lender, directly or through their agents, to obtain possession of all inventory, goods, fixtures, equipment and other Collateral for the purposes of: (a) taking custody and possession of the Collateral; (b) operating and using the Collateral to finish work in progress, and to convert raw materials to finished goods; (c) operating the Collateral for the purpose of maintaining and preserving its value and physical condition; and (d) preparing the Collateral for sale or other disposition, and conducting such sale or other disposition pursuant to such Lender's rights under the applicable Loan Agreement and applicable law. In furtherance of the foregoing, Borrower authorizes Agent and each Lender, directly or through their agents, to enter into and use any business premises, subject to the terms of any lease therefor, but without any payment to Borrower for use and occupancy. Agent and Lenders may contact the landlord/agent/operator for the Premises or any other location at which the Collateral is located in order to work with such person to secure the Collateral.

5. Borrower authorizes Agent and Lenders (but only to the extent that Borrower has the right to do so), in their sole discretion, to change the locks on any business premises, to inform any security or burglar alarm system agency of its right to use the Premises, to post a guard on the Premises, to arrange for such fire and other insurance coverages as any one of them deems appropriate, to remove the Collateral from any premises, to move the Collateral to a safe location, to do such other acts as they reasonably deems necessary to protect the Collateral from damage or waste, and to secure their possession and custody thereof, all as reasonable expenses of retaking and preparing the Collateral for sale or disposition.

6. Borrower acknowledges that, except as otherwise expressly agreed herein, Agent and Lenders have no other duty with respect to custody and care of the Collateral other than their duty under applicable law to use reasonable care in the custody and preservation of the same, and that Agent and each Lender has no responsibility for any tangible Collateral until physical possession thereof has been taken. Agent and Lenders shall have no obligation to maintain or preserve the rights of Borrower in the Collateral against the claims of third parties.

7. Borrower hereby acknowledges that Agent and each Lender has not made any commitment with respect to its method of disposing of the Collateral other than their obligations under California law to do so in a commercially reasonable manner to the extent required under the CUCC. **Borrower hereby waives its rights to notice of any private sale under Section 9611 of the CUCC, and waives its right to redeem the Collateral under Section 9623 of the CUCC. Notwithstanding any other provision of the Loan Agreements with respect to notice, Borrower hereby waives any further notice of sale or other disposition to the extent permitted under applicable law, and agrees that Agent and Lenders shall not be required to give Borrower notice of any proposed sale, lease, election to retain, or other disposition of the Collateral.**

8. This letter agreement shall in no way impair or limit any rights or remedies which Agent and Lenders may have under the Loan Documents or applicable law, all of which are cumulative and not alternative, including, without limitation, rights and remedies which they may have against the Collateral. Agent and each Lender hereby reserves all of its rights described in the preceding sentence. **Nothing in this letter agreement shall limit Agent's and each Lender's rights to take possession of, or any of Agent's and such Lender's other rights with respect to, the Collateral, including Collateral covered by any financing statement filed pursuant to the CUCC or the Uniform Commercial Code adopted in any jurisdiction.** Agent, Lenders and Borrower agree that all cash from collections and realizations upon Collateral shall be applied to payment and satisfaction of the Obligations in the manner prescribed in the Loan Agreements and by applicable law, and that if and to the extent Lenders receive upon sale or other disposition of the Collateral any noncash consideration, such as promissory notes or illiquid securities of a purchaser, it shall not be commercially unreasonable for Lenders to hold such noncash consideration until the same can be reduced to cash in a commercially reasonable manner, at which time Lenders shall apply such proceeds to the remaining outstanding Obligations and pay over the excess, if any, to Borrower or such other person(s) as may be entitled thereto in accordance with applicable law.

9. Borrower hereby agrees that, in consideration of the facts recited herein, Lenders' agreement in paragraph 3 hereof with respect to the release of certain Cash Collateral to Borrower and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in the event that:

(a) Borrower (i) hereafter files with any bankruptcy court of competent jurisdiction or becomes the subject of any petition under Title 11 of the United States Code, as amended, (ii) becomes the subject of any order for relief issued under such Title 11 of the United States Code, as amended, (iii) files or becomes the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency or other relief for debtors, (iv) seeks or consents to or acquiesces in the appointment of any trust, receiver or liquidator for itself or for any substantial portion of its assets, (v) becomes the subject of any order, judgment or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency or relief for debtors; and

(b) as a result of any of the matters set forth in (a) above, Agent's and Lenders' ability to repossess and/or compete a private sale or sale at foreclosure or other conveyance of the Collateral or to exercise or enforce any of its or their rights or remedies under the Loan Documents at law or in equity is interfered with, impeded or otherwise impaired because of a stay of such repossession, sale or conveyance in such proceeding,

then in any such event Borrower agrees that any such action described in clause (a)(i) through (a)(v) above shall have been filed to frustrate or delay a foreclosure proceeding, in bad faith, and in abrogation of this agreement and should be deemed by the bankruptcy court to have been so filed, and

Agent and Lenders shall thereupon be automatically entitled to relief from any automatic stay imposed by Section 362 of Title 11 of the United States Code, as amended, or otherwise (*provided that Borrower's agreement that any such action shall have been taken in bad faith shall be solely for the purpose of determining whether Agent and Lenders are entitled to relief from the automatic stay and shall not be used against Borrower or its officers or directors for any other purpose*), on or against the exercise of the rights and remedies otherwise available to Agent and Lenders as provided in the Loan Documents or as otherwise provided by law, and in the event of the occurrence of any of the events described in clauses (a)(i) through (a)(v) above, Borrower will not take any action to impede, restrain or restrict Agent's and Lenders' rights and remedies under this letter agreement or otherwise, whether under Sections 105 or 362 of Title 11 of the United States Code or otherwise. In addition, Borrower waives the right to extend the one hundred twenty (120) day period under which a debtor has the exclusive right to file a plan of reorganization in any case involving it as debtor under Title 11 of the United States Code.

10. If at any time after the deemed payment or performance of the Obligations, or any part thereof, is, pursuant to applicable law, avoided, rescinded or reduced in amount, or must otherwise be restored or returned by any Lender, whether as a "voidable preference," "fraudulent conveyance," or otherwise then Borrower's Obligations under the applicable Loan Agreement shall be reinstated and revived, all as though such acceptance, foreclosure, payment or performance had not been made.

11. In consideration of the agreements of Agent and each Lender in paragraph 3 hereof, Borrower hereby, for itself, its affiliates, partners, agents, successors, administrators and assigns, releases, acquits and forever discharges Agent and each such Lender, their past or present directors, managers, officers, employees, agents, affiliates, attorneys, shareholders, successors and assigns ("**Released Parties**"), and each of them, separately and collectively, of and from any and all claims, actions, causes of action, counterclaims, liabilities, suits, debts, offsets, setoffs, losses, liens, demands, rights, obligations, damages, costs, attorneys' fees, interest, loss of service, expenses and compensation, known or unknown, fixed or contingent, and defenses of every nature and kind whatsoever existing as of the date hereof ("**Claims**"), which Borrower might have had in the past, or now has, including, without limitation, any Claims relating to and in any way connected with: the Loan Agreements, the Loan Documents, the related agreements thereto, and the lending relationship between Borrower and the Released Parties as of the date hereof, but excluding any claims relating to Agent's or such Lender's breach of this agreement or claims arising after the date of this agreement.

Furthermore, Borrower further agrees never to commence, aid or participate in, either directly or indirectly (except to the extent required by order or legal process issued by a court or governmental agency of competent jurisdiction) any legal action, defense or other proceeding based in whole or in part on the Claims being waived hereunder.

Borrower expressly understands and acknowledges that it is possible that unknown losses or Claims exist or that present losses or Claims may have been understated in amount or severity, and it explicitly took that into account in determining the consideration to be given for this release, and a portion of said consideration and the mutual covenants contained herein, having been bargained for between the parties with the knowledge of the possibility of such unknown Claims, were

given in exchange for a full accord, satisfaction and discharge of all such Claims. Consequently, in furtherance of this general release, Borrower acknowledges and waives the benefits of California Civil Code section 1542 (and all similar ordinances and statutory, regulatory, or judicially created laws or rules of any jurisdiction) which provides:

A GENERAL RELEASE DOES NOT EXTEND TO ANY CLAIM WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Borrower agrees that the agreements contained herein are intended to be in full satisfaction of any alleged injuries or damages of Borrower. Borrower has consulted with legal counsel prior to signing this release or has had an opportunity to obtain such counsel and knowingly chose not to do so, and execute such release voluntarily with the intention of fully and finally extinguishing all disputes between the parties hereto.

Borrower acknowledges that it is relying on no written or oral agreement, representation or understanding of any kind made by Agent and Lenders or any employee, attorney or agent of Agent or Lenders.

12. This letter agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and prior writings with respect thereto.

remainder of this page intentionally left blank; signature page follows

If you agree to the terms of this letter agreement, please indicate your agreement by signing and returning the enclosed copy of this letter.

Very truly yours,

VENTURE LENDING & LEASING IV, INC.

By: [Signature]
Name: Jay Cohen
Title: VP

VENTURE LENDING & LEASING V, INC.

By: [Signature]
Name: Jay Cohen
Title: VP

SILICON VALLEY BANK

By: _____
Name: _____
Title: _____

ACKNOWLEDGED AND AGREED:

CSWITCH CORPORATION

By: [Signature]
Name: Douglas Laird
Title: President & CEO

June 17, 2009

VIA EMAIL

Mr. Doug Laird
Chief Executive Officer
CSwitch Corporation
3131 Jay Street, Suite 200
Santa Clara, CA 95054

Re: Repossession of Collateral

Ladies and Gentlemen:

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In consideration of the foregoing, the parties hereto agree as follows:

1. Borrower is now in default of its Obligations to Lenders, including defaults under Section 7.1(c) of the Loan Agreements, and as a result of such defaults all Obligations of Borrower to each Lender are now due and payable in full. Each Lender hereby confirms and declares such Events of Default exist, and accelerates all of the Obligations.

2. The aggregate amount of Borrower's Obligations to VLL4 under the Loan Agreements as of the date hereof is approximately [REDACTED] the aggregate outstanding amount of Borrower's Obligations to VLL5 under the 2008 Loan Agreement as of the date hereof is approximately [REDACTED] and the aggregate outstanding amount of Borrower's Obligations to SVB under the 2008 Loan Agreement as of the date hereof is approximately [REDACTED]. Such amounts exclude any costs, expenses, and professional fees which may have been incurred or may hereafter accrue.

3. Pursuant to the provisions of the Loan Agreements and Division 9 of the California Commercial Code ("CUCC"), Borrower shall immediately, following demand from the Lenders, either make available or deliver to Agent and Lenders, as secured parties: (i) custody and possession of all of the Collateral whether located at 3131 Jay Street, #200, Santa Clara, CA 95054 (the "Premises") or elsewhere, including receivables collections, cash on hand and on deposit in banks, all securities (including share certificates for each subsidiary of Borrower, if any), and all equipment, software, source code and related documentation; and (ii) all books and records pertaining to the Collateral of all types, wherever located, including any computer records (including passwords and source codes) and books concerning accounts receivable, for the purpose of collecting and holding the same, preparing the Collateral for collection, sale or other disposition, and conducting such sale or disposition, provided that Borrower, upon reasonable notice and for a proper purpose, shall have access to, and the ability to make copies of, such records and books. In order to preserve any going concern value of Borrower's business in connection with Lenders' foreclosure and ultimate disposition of Collateral, Borrower has asked that Lenders release to Borrower, or for Borrower's benefit, from the cash Collateral ("Cash Collateral") controlled by Lenders on deposit in bank(s), a portion of such Cash Collateral in an amount up to [REDACTED] which Borrower agrees to use to pay certain operating and other expenses previously approved by Lender ("Expenses"). As it may be in the interests of the unsecured creditors of Borrower and Lenders to permit Borrower to continue efforts to market Borrower and its assets, subject to Borrower's execution of this letter agreement, Lenders release such amount from the Cash Collateral for payment of items previously approved by Lenders. Borrower

agrees that if the actual amount used to pay the Expenses is less than the Cash Collateral released to Borrower pursuant to the previous sentence then Borrower shall promptly remit the excess amount to Lenders after such time as Borrower has paid such Expenses.

4. Borrower hereby authorizes Agent and each Lender, directly or through their agents, to obtain possession of all inventory, goods, fixtures, equipment and other Collateral for the purposes of: (a) taking custody and possession of the Collateral; (b) operating and using the Collateral to finish work in progress, and to convert raw materials to finished goods; (c) operating the Collateral for the purpose of maintaining and preserving its value and physical condition; and (d) preparing the Collateral for sale or other disposition, and conducting such sale or other disposition pursuant to such Lender's rights under the applicable Loan Agreement and applicable law. In furtherance of the foregoing, Borrower authorizes Agent and each Lender, directly or through their agents, to enter into and use any business premises, subject to the terms of any lease therefor, but without any payment to Borrower for use and occupancy. Agent and Lenders may contact the landlord/agent/operator for the Premises or any other location at which the Collateral is located in order to work with such person to secure the Collateral.

5. Borrower authorizes Agent and Lenders (but only to the extent that Borrower has the right to do so), in their sole discretion, to change the locks on any business premises, to inform any security or burglar alarm system agency of its right to use the Premises, to post a guard on the Premises, to arrange for such fire and other insurance coverages as any one of them deems appropriate, to remove the Collateral from any premises, to move the Collateral to a safe location, to do such other acts as they reasonably deems necessary to protect the Collateral from damage or waste, and to secure their possession and custody thereof, all as reasonable expenses of retaking and preparing the Collateral for sale or disposition.

6. Borrower acknowledges that, except as otherwise expressly agreed herein, Agent and Lenders have no other duty with respect to custody and care of the Collateral other than their duty under applicable law to use reasonable care in the custody and preservation of the same, and that Agent and each Lender has no responsibility for any tangible Collateral until physical possession thereof has been taken. Agent and Lenders shall have no obligation to maintain or preserve the rights of Borrower in the Collateral against the claims of third parties.

7. Borrower hereby acknowledges that Agent and each Lender has not made any commitment with respect to its method of disposing of the Collateral other than their obligations under California law to do so in a commercially reasonable manner to the extent required under the CUCC. **Borrower hereby waives its rights to notice of any private sale under Section 9611 of the CUCC, and waives its right to redeem the Collateral under Section 9623 of the CUCC. Notwithstanding any other provision of the Loan Agreements with respect to notice, Borrower hereby waives any further notice of sale or other disposition to the extent permitted under applicable law, and agrees that Agent and Lenders shall not be required to give Borrower notice of any proposed sale, lease, election to retain, or other disposition of the Collateral.**

8. This letter agreement shall in no way impair or limit any rights or remedies which Agent and Lenders may have under the Loan Documents or applicable law, all of which are cumulative and not alternative, including, without limitation, rights and remedies which they may have against the Collateral. Agent and each Lender hereby reserves all of its rights described in the preceding sentence. **Nothing in this letter agreement shall limit Agent's and each Lender's rights to take possession of, or any of Agent's and such Lender's other rights with respect to, the Collateral, including Collateral covered by any financing statement filed pursuant to the CUCC or the Uniform Commercial Code adopted in any jurisdiction.** Agent, Lenders and Borrower agree that all cash from collections and realizations upon Collateral shall be applied to payment and satisfaction of the Obligations in the manner prescribed in the Loan Agreements and by applicable law, and that if and to the extent Lenders receive upon sale or other disposition of the Collateral any noncash consideration, such as promissory notes or illiquid securities of a purchaser, it shall not be commercially unreasonable for Lenders to hold such noncash consideration until the same can be reduced to cash in a commercially reasonable manner, at which time Lenders shall apply such proceeds to the remaining outstanding Obligations and pay over the excess, if any, to Borrower or such other person(s) as may be entitled thereto in accordance with applicable law.

9. Borrower hereby agrees that, in consideration of the facts recited herein, Lenders' agreement in paragraph 3 hereof with respect to the release of certain Cash Collateral to Borrower and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in the event that:

(a) Borrower (i) hereafter files with any bankruptcy court of competent jurisdiction or becomes the subject of any petition under Title 11 of the United States Code, as amended, (ii) becomes the subject of any order for relief issued under such Title 11 of the United States Code, as amended, (iii) files or becomes the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency or other relief for debtors, (iv) seeks or consents to or acquiesces in the appointment of any trust, receiver or liquidator for itself or for any substantial portion of its assets, (v) becomes the subject of any order, judgment or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency or relief for debtors; and

(b) as a result of any of the matters set forth in (a) above, Agent's and Lenders' ability to repossess and/or complete a private sale or sale at foreclosure or other conveyance of the Collateral or to exercise or enforce any of its or their rights or remedies under the Loan Documents at law or in equity is interfered with, impeded or otherwise impaired because of a stay of such repossession, sale or conveyance in such proceeding,

then in any such event Borrower agrees that any such action described in clause (a)(i) through (a)(v) above shall have been filed to frustrate or delay a foreclosure proceeding, in bad faith, and in abrogation of this agreement and should be deemed by the bankruptcy court to have been so filed, and

Agent and Lenders shall thereupon be automatically entitled to relief from any automatic stay imposed by Section 362 of Title 11 of the United States Code, as amended, or otherwise (*provided that* Borrower's agreement that any such action shall have been taken in bad faith shall be solely for the purpose of determining whether Agent and Lenders are entitled to relief from the automatic stay and shall not be used against Borrower or its officers or directors for any other purpose), on or against the exercise of the rights and remedies otherwise available to Agent and Lenders as provided in the Loan Documents or as otherwise provided by law, and in the event of the occurrence of any of the events described in clauses (a)(i) through (a)(v) above, Borrower will not take any action to impede, restrain or restrict Agent's and Lenders' rights and remedies under this letter agreement or otherwise, whether under Sections 105 or 362 of Title 11 of the United States Code or otherwise. In addition, Borrower waives the right to extend the one hundred twenty (120) day period under which a debtor has the exclusive right to file a plan of reorganization in any case involving it as debtor under Title 11 of the United States Code.

10. If at any time after the deemed payment or performance of the Obligations, or any part thereof, is, pursuant to applicable law, avoided, rescinded or reduced in amount, or must otherwise be restored or returned by any Lender, whether as a "voidable preference," "fraudulent conveyance," or otherwise then Borrower's Obligations under the applicable Loan Agreement shall be reinstated and revived, all as though such acceptance, foreclosure, payment or performance had not been made.

11. In consideration of the agreements of Agent and each Lender in paragraph 3 hereof, Borrower hereby, for itself, its affiliates, partners, agents, successors, administrators and assigns, releases, acquits and forever discharges Agent and each such Lender, their past or present directors, managers, officers, employees, agents, affiliates, attorneys, shareholders, successors and assigns ("**Released Parties**"), and each of them, separately and collectively, of and from any and all claims, actions, causes of action, counterclaims, liabilities, suits, debts, offsets, setoffs, losses, liens, demands, rights, obligations, damages, costs, attorneys' fees, interest, loss of service, expenses and compensation, known or unknown, fixed or contingent, and defenses of every nature and kind whatsoever existing as of the date hereof ("**Claims**"), which Borrower might have had in the past, or now has, including, without limitation, any Claims relating to and in any way connected with: the Loan Agreements, the Loan Documents, the related agreements thereto, and the lending relationship between Borrower and the Released Parties as of the date hereof, but excluding any claims relating to Agent's or such Lender's breach of this agreement or claims arising after the date of this agreement.

Furthermore, Borrower further agrees never to commence, aid or participate in, either directly or indirectly (except to the extent required by order or legal process issued by a court or governmental agency of competent jurisdiction) any legal action, defense or other proceeding based in whole or in part on the Claims being waived hereunder.

Borrower expressly understands and acknowledges that it is possible that unknown losses or Claims exist or that present losses or Claims may have been understated in amount or severity, and it explicitly took that into account in determining the consideration to be given for this release, and a portion of said consideration and the mutual covenants contained herein, having been bargained for between the parties with the knowledge of the possibility of such unknown Claims, were

given in exchange for a full accord, satisfaction and discharge of all such Claims. Consequently, in furtherance of this general release, Borrower acknowledges and waives the benefits of California Civil Code section 1542 (and all similar ordinances and statutory, regulatory, or judicially created laws or rules of any jurisdiction) which provides:

A GENERAL RELEASE DOES NOT EXTEND TO ANY CLAIM WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXISTS IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Borrower agrees that the agreements contained herein are intended to be in full satisfaction of any alleged injuries or damages of Borrower. Borrower has consulted with legal counsel prior to signing this release or has had an opportunity to obtain such counsel and knowingly chose not to do so, and execute such release voluntarily with the intention of fully and finally extinguishing all disputes between the parties hereto.

Borrower acknowledges that it is relying on no written or oral agreement, representation or understanding of any kind made by Agent and Lenders or any employee, attorney or agent of Agent or Lenders.

12. This letter agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and prior writings with respect thereto.

remainder of this page intentionally left blank; signature page follows

If you agree to the terms of this letter agreement, please indicate your agreement by signing and returning the enclosed copy of this letter.

Very truly yours,

VENTURE LENDING & LEASING IV, INC.

By: _____
Name:
Title:

VENTURE LENDING & LEASING V, INC.

By: _____
Name:
Title:

SILICON VALLEY BANK

By: Brian Bell
Name: BRIAN BELL
Title: SR. ADVISOR

ACKNOWLEDGED AND AGREED:

CSWITCH CORPORATION

By: Douglas Laird
Name: Douglas Laird
Title: President & CEO

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