

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (as may be amended, supplemented and otherwise modified from time to time, "IP Security Agreement") is made and effective as of May 25, 2000, by **THE ADRENALINE GROUP, INC.** (including any successor or permitted assignee thereof, "Grantor"), in favor of MCG FINANCE CORPORATION (including any successor, participant, assignee or transferee thereof, "Administrative Agent"), as administrative agent for itself and any other Lender (as defined in the Credit Agreement below).

RECITALS

WHEREAS, Grantor and certain of its Subsidiaries (each, a "Borrower"; collectively, the "Borrowers") desire and have applied to Administrative Agent and the Lenders for a credit facility consisting of a term loan pursuant to which up to \$5.0 million can be borrowed from time to time; and

WHEREAS, pursuant to that certain Credit Facility Agreement by and among Borrowers, Lenders and Administrative Agent dated as of May 25, 2000 (as may be amended from time to time, "Credit Agreement"), a condition precedent to the obligation of the Administrative Agent or any Lender to execute and perform under the Credit Agreement is that Borrowers shall have executed and delivered that certain Master Security Agreement, Collateral Assignment and Equity Pledge executed by Borrowers in favor of Administrative Agent for the benefit of Administrative Agent and the Lenders dated as of May 25, 2000 (as may be amended from time to time, "Security Agreement") encumbering all of Borrowers' tangible and intangible personal property assets in favor of Administrative Agent for the benefit of Administrative Agent and the Lenders; and

WHEREAS, under the terms of the Security Agreement, Grantor has agreed to grant to Administrative Agent a security interest in certain intellectual property for purposes of securing the obligations to Administrative Agent and the Lenders under the Credit Agreement and related Loan Documents; and

WHEREAS, Grantor has determined that it is in its best interest to execute this IP Security Agreement inasmuch as Grantor will derive substantial direct and indirect benefits from the funding of the Advances by Administrative Agent pursuant to the Credit Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Grantor and Administrative Agent hereby agree as follows:

1. Grant. Grantor hereby grants to Administrative Agent an absolute, present, unconditional, continuing first priority security interest in and to Grantor's entire right, title and interest in and to the following property and rights (collectively, the "Collateral"):

(a) The U.S., state and foreign copyrights, associated copyright registrations and applications for copyright registration, and copyright licenses set forth on Schedule A attached hereto (collectively, the "Copyrights"); and

(b) The U.S., state and foreign patents and patent applications, and patent licenses set forth on Schedule B attached hereto, including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same (collectively, the "Patents"); and

(c) The U.S., state and foreign trademark and service mark registrations, trademark and service mark applications, and trademark and service mark licenses set forth on Schedule C attached hereto (including all associated goodwill, collectively, the "Trademarks"); and

(d) Any and all claims and causes of action for past, present or future infringement of any of the Collateral, with the right, but not the obligation, to sue for and collect damages for infringement of the Collateral; and

(e) Any and all licenses or rights granted under any of the Collateral, and all license fees and royalties arising from such licenses or rights, to the extent permitted by such licenses or rights; and

(f) Any and all amendments, renewals, extensions, reissuances and replacements of any of the Collateral; and

(g) Any and all products and proceeds of any of the foregoing.

2. Requested Recordation. Grantor authorizes the Register of Copyrights and the Commissioner of Patents and Trademarks (and any state, foreign or other authorities to which this IP Security Agreement is submitted) to file and record this IP Security Agreement (and any corresponding or separate application forms of such jurisdiction) in order to publicly reflect Administrative Agent's interest in the Collateral.

3. Assignment. Upon the occurrence of an Event of Default (as defined in the Security Agreement), Grantor shall execute and deliver to Administrative Agent an absolute assignment transferring its entire right, title, and interest in and to the Collateral to Administrative Agent.

4. Power of Attorney. Grantor hereby irrevocably grants Administrative Agent a power of attorney, to act as Grantor's attorney-in-fact, with full authority in the name, place and stead of Grantor, from time to time in Administrative Agent's discretion regardless of whether a Default or Event of Default is occurring:

(a) To modify or amend (in Administrative Agent's sole discretion and without first obtaining Grantor's approval of or signature thereto) Schedule A, Schedule B, and/or Schedule C hereof, as appropriate, to include references to any registered intellectual property (or application or license therefor) acquired by Grantor after the execution hereof or to

delete any reference to any Collateral in which Grantor no longer has or claims any right, title or interest; and

(b) To execute, file and pursue (in Administrative Agent's sole discretion and without first obtaining Grantor's approval of or signature thereto, unless otherwise prohibited by applicable law) any application, form or other document in order to perfect, maintain, continue or otherwise protect Administrative Agent's interest or Grantor's rights in the Collateral, including, without limitation, executing and filing (i) any financing statement, any continuation statement or any amendment thereto, and (ii) any document in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or the relevant office of any state or foreign jurisdiction (including, without limitation, the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings) and to pay any fees and taxes in connection therewith or otherwise; and

(c) To execute any additional security agreement or other document required to acknowledge, register or perfect Administrative Agent's security interest in any part of the Collateral without the signature of Grantor unless prohibited by applicable law.

Grantor also hereby irrevocably grants Administrative Agent a power of attorney, to act as Grantor's attorney-in-fact, with full authority in the name, place and stead of Grantor, from time to time in Administrative Agent's discretion after the occurrence and during the continuance of a Default or an Event of Default, to take any other action and to execute any other instrument which Administrative Agent may deem reasonably necessary or advisable to accomplish the purposes of the Security Agreement or this IP Security Agreement.

The foregoing power of attorney is coupled with an interest and is irrevocable.

5. Release. The security interest granted herein will terminate (and all rights to the Collateral will revert to Grantor) upon satisfaction of the following conditions:

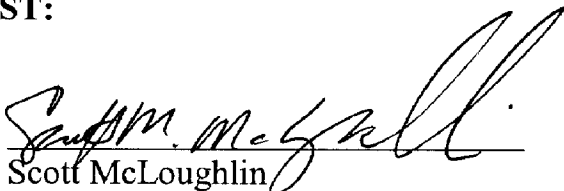
(a) payment and performance in full of all the obligations secured hereby (unconditionally and indefeasibly) and (b) the termination of the Credit Agreement (and the Facilities thereunder). Upon any such termination, Administrative Agent (at Grantor's request and sole expense) will execute and deliver to Grantor (without any representation, warranty or recourse of any kind whatsoever except as set forth in Section 7.14 of the Security Agreement) such documents as Grantor may reasonably request and provide to Administrative Agent to evidence such termination.

6. Miscellaneous. This IP Security Agreement has been entered into in conjunction with the provisions of and the security interest granted to Administrative Agent under the Security Agreement. The rights and remedies of Grantor and Administrative Agent with respect to the security interest granted herein are in addition and without prejudice to those set forth in the Security Agreement and the Credit Agreement, all terms and provisions of which are hereby incorporated herein by reference. This IP Security Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document; each such counterpart will be deemed to be an original but all counterparts together will constitute one and the same instrument. In the event that any provisions of this IP


Security Agreement are deemed to conflict with the Security Agreement or the Credit Agreement, the provisions of the Security Agreement or Credit Agreement shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this IP Security Agreement, as an instrument under seal (whether or not any such seals are physically attached hereto), through their duly authorized officers, as of the date first written above.

ATTEST:

By: 
Scott McLoughlin
Chief Executive Officer

THE ADRENALINE GROUP, INC.
(Grantor)

By: 
Greg DuPertuis
President

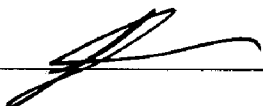
[CORPORATE SEAL]

Address: 1050 Potomac Street, NW
Washington, DC 20007

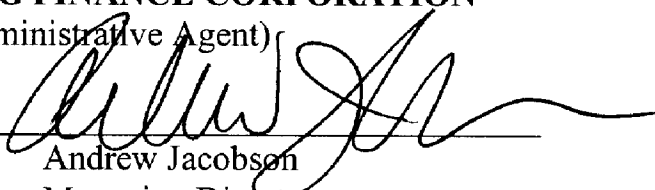
Telephone: (202) 333-8660

Facsimile: (202) 333-8670

WITNESS:

By: 

MCG FINANCE CORPORATION
(Administrative Agent)

By: 
Andrew Jacobson
Managing Director

Address: 1100 Wilson Blvd.
Suite 800
Arlington, VA 22209

Telephone: (703)247-7500

Facsimile: (703)247-7505

Legal/adrenaline/ipsa

TRADEMARK
REEL: 002102 FRAME: 0205

ACKNOWLEDGMENT

STATE OF Virginia :
 : SS
COUNTY OF Arlington :

Before me, the undersigned, a Notary Public, on this 15th day of April, 2000, personally appeared Scott McLoughlin to me known personally, who, being by me duly sworn, did say that he is the Chief Executive Officer of THE ADRENALINE GROUP, INC., and that said instrument (i.e., the Intellectual Property Security Agreement) was signed on behalf of said THE ADRENALINE GROUP by authority of its Board of Directors, and the said Chief Executive Officer acknowledged said instrument to be his/her free act and deed.

Mary Cotturo
Notary Public

My Commission Expires: My Comm. Exps. 3/31, 2002

ACKNOWLEDGEMENT

STATE OF Virginia :
 : SS
COUNTY OF Arlington :

Before me, the undersigned, a Notary Public, on this 15th day of April, 2000, personally appeared Andrew Jacobson to me known personally, who, being by me duly sworn, did say that he is the Managing Director of **MCG FINANCE CORPORATION**, and that said instrument (i.e., the Intellectual Property Security Agreement) was signed on behalf of said MCG Finance Corporation by authority of its Board of Directors (through its Credit Committee), and the said Managing Director acknowledged said instrument to be his free act and deed.

Mary Cotter
Notary Public

My Commission Expires: 3/31, 2002

DISCLOSURE SCHEDULE
TO
INTELLECTUAL PROPERTY
SECURITY AGREEMENTS

BY AND AMONG

THE ADRENALINE GROUP, INC.

AND

EACH OF ITS DIRECT AND INDIRECT SUBSIDIARIES

AND

MCG FINANCE CORPORATION
(AS AGENT FOR ITSELF AND ANY OTHER LENDER)

Executed and Effective as of May 25, 2000

DISCLOSURE SCHEDULE TO INTELLECTUAL PROPERTY SECURITY AGREEMENTS

In connection with the **INTELLECTUAL PROPERTY SECURITY AGREEMENT**, dated as of May 25, 2000, by and between **ADRENALINE GROUP, INC.** (the "**Grantor**") and **MCG FINANCE CORPORATION ("MCG")** (the "**Agreement**"), the Grantor hereby delivers this Disclosure Schedule to the Grantor's representations and warranties given in the Agreement.

TERMS AND CONDITIONS

This Disclosure Schedule is subject to the following terms and conditions:

1. The inclusion of any fact, item, matter, circumstance, transaction or event on a schedule herein, is not deemed to be an admission or representation that the fact, item, matter, circumstance, transaction or event is or is not "material" or has a value above or below any dollar thresholds set forth in the Agreement.
2. The introductory language and heading to each of the Schedules in this Disclosure Schedule are inserted for convenience only and shall not create a different standard for disclosure than the language set forth in the Agreement. The headings listed in this Disclosure Schedule are inserted for convenience only and shall not create any representation regarding the completeness or accuracy of the organization of the information listed under such headings.
3. All capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Agreement.

**SCHEDULE A
COPYRIGHT COLLATERAL**

The Grantor has not registered any copyrights.

**SCHEDULE B
PATENT COLLATERAL**

The Grantor has not been issued any patents.

**SCHEDULE C
TRADEMARK COLLATERAL**

The Grantor has registered or applied for the following trademarks:

1. U.S. Federal Trademark Registration:
 "The Adrenaline Group" - Reg. No. 2313046 - Feb. 1, 2000.
2. U.S. Federal Trademark Application:
 "Adrenalinux" - Ser. No. 75-852-657 - Nov. 19, 1999.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

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RECITALS

WHEREAS, Grantor and certain of its Subsidiaries (each, a "Borrower"; collectively, the "Borrowers") desire and have applied to Administrative Agent and the Lenders for a credit facility consisting of a term loan pursuant to which up to \$5.0 million can be borrowed from time to time; and

WHEREAS, pursuant to that certain Credit Facility Agreement by and among Borrowers, Lenders and Administrative Agent dated as of May 25, 2000 (as may be amended from time to time, "Credit Agreement"), a condition precedent to the obligation of the Administrative Agent or any Lender to execute and perform under the Credit Agreement is that Borrowers shall have executed and delivered that certain Master Security Agreement, Collateral Assignment and Equity Pledge executed by Borrowers in favor of Administrative Agent for the benefit of Administrative Agent and the Lenders dated as of May 25, 2000 (as may be amended from time to time, "Security Agreement") encumbering all of Borrowers' tangible and intangible personal property assets in favor of Administrative Agent for the benefit of Administrative Agent and the Lenders; and

WHEREAS, under the terms of the Security Agreement, Grantor has agreed to grant to Administrative Agent a security interest in certain intellectual property for purposes of securing the obligations to Administrative Agent and the Lenders under the Credit Agreement and related Loan Documents; and

WHEREAS, Grantor has determined that it is in its best interest to execute this IP Security Agreement inasmuch as Grantor will derive substantial direct and indirect benefits from the funding of the Advances by Administrative Agent pursuant to the Credit Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Grantor and Administrative Agent hereby agree as follows:

1. Grant. Grantor hereby grants to Administrative Agent an absolute, present, unconditional, continuing first priority security interest in and to Grantor's entire right, title and interest in and to the following property and rights (collectively, the "Collateral"):

(a) The U.S., state and foreign copyrights, associated copyright registrations and applications for copyright registration, and copyright licenses set forth on Schedule A attached hereto (collectively, the "Copyrights"); and

(b) The U.S., state and foreign patents and patent applications, and patent licenses set forth on Schedule B attached hereto, including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same (collectively, the "Patents"); and

(c) The U.S., state and foreign trademark and service mark registrations, trademark and service mark applications, and trademark and service mark licenses set forth on Schedule C attached hereto (including all associated goodwill, collectively, the "Trademarks"); and

(d) Any and all claims and causes of action for past, present or future infringement of any of the Collateral, with the right, but not the obligation, to sue for and collect damages for infringement of the Collateral; and

(e) Any and all licenses or rights granted under any of the Collateral, and all license fees and royalties arising from such licenses or rights, to the extent permitted by such licenses or rights; and

(f) Any and all amendments, renewals, extensions, reissuances and replacements of any of the Collateral; and

(g) Any and all products and proceeds of any of the foregoing.

2. Requested Recordation. Grantor authorizes the Register of Copyrights and the Commissioner of Patents and Trademarks (and any state, foreign or other authorities to which this IP Security Agreement is submitted) to file and record this IP Security Agreement (and any corresponding or separate application forms of such jurisdiction) in order to publicly reflect Administrative Agent's interest in the Collateral.

3. Assignment. Upon the occurrence of an Event of Default (as defined in the Security Agreement), Grantor shall execute and deliver to Administrative Agent an absolute assignment transferring its entire right, title, and interest in and to the Collateral to Administrative Agent.

4. Power of Attorney. Grantor hereby irrevocably grants Administrative Agent a power of attorney, to act as Grantor's attorney-in-fact, with full authority in the name, place and stead of Grantor, from time to time in Administrative Agent's discretion regardless of whether a Default or Event of Default is occurring:

(a) To modify or amend (in Administrative Agent's sole discretion and without first obtaining Grantor's approval of or signature thereto) Schedule A, Schedule B, and/or Schedule C hereof, as appropriate, to include references to any registered intellectual property (or application or license therefor) acquired by Grantor after the execution hereof or to

delete any reference to any Collateral in which Grantor no longer has or claims any right, title or interest; and

(b) To execute, file and pursue (in Administrative Agent's sole discretion and without first obtaining Grantor's approval of or signature thereto, unless otherwise prohibited by applicable law) any application, form or other document in order to perfect, maintain, continue or otherwise protect Administrative Agent's interest or Grantor's rights in the Collateral, including, without limitation, executing and filing (i) any financing statement, any continuation statement or any amendment thereto, and (ii) any document in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or the relevant office of any state or foreign jurisdiction (including, without limitation, the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings) and to pay any fees and taxes in connection therewith or otherwise; and

(c) To execute any additional security agreement or other document required to acknowledge, register or perfect Administrative Agent's security interest in any part of the Collateral without the signature of Grantor unless prohibited by applicable law.

Grantor also hereby irrevocably grants Administrative Agent a power of attorney, to act as Grantor's attorney-in-fact, with full authority in the name, place and stead of Grantor, from time to time in Administrative Agent's discretion after the occurrence and during the continuance of a Default or an Event of Default, to take any other action and to execute any other instrument which Administrative Agent may deem reasonably necessary or advisable to accomplish the purposes of the Security Agreement or this IP Security Agreement.

The foregoing power of attorney is coupled with an interest and is irrevocable.

5. Release. The security interest granted herein will terminate (and all rights to the Collateral will revert to Grantor) upon satisfaction of the following conditions:

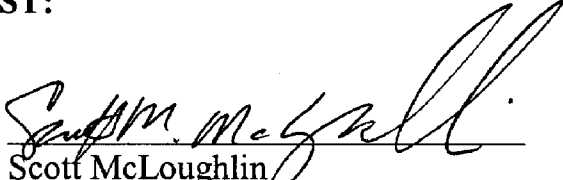
(a) payment and performance in full of all the obligations secured hereby (unconditionally and indefeasibly) and (b) the termination of the Credit Agreement (and the Facilities thereunder). Upon any such termination, Administrative Agent (at Grantor's request and sole expense) will execute and deliver to Grantor (without any representation, warranty or recourse of any kind whatsoever except as set forth in Section 7.14 of the Security Agreement) such documents as Grantor may reasonably request and provide to Administrative Agent to evidence such termination.

6. Miscellaneous. This IP Security Agreement has been entered into in conjunction with the provisions of and the security interest granted to Administrative Agent under the Security Agreement. The rights and remedies of Grantor and Administrative Agent with respect to the security interest granted herein are in addition and without prejudice to those set forth in the Security Agreement and the Credit Agreement, all terms and provisions of which are hereby incorporated herein by reference. This IP Security Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document; each such counterpart will be deemed to be an original but all counterparts together will constitute one and the same instrument. In the event that any provisions of this IP


Security Agreement are deemed to conflict with the Security Agreement or the Credit Agreement, the provisions of the Security Agreement or Credit Agreement shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this IP Security Agreement, as an instrument under seal (whether or not any such seals are physically attached hereto), through their duly authorized officers, as of the date first written above.

ATTEST:

By: 
Scott McLoughlin
Chief Executive Officer

THE ADRENALINE GROUP, INC.
(Grantor)


By: 
Greg DuPertuis
President

[CORPORATE SEAL]

Address: 1050 Potomac Street, NW
Washington, DC 20007

Telephone: (202) 333-8660
Facsimile: (202) 333-8670

WITNESS:

By: 

MCG FINANCE CORPORATION
(Administrative Agent)

By: 
Andrew Jacobson
Managing Director

Address: 1100 Wilson Blvd.
Suite 800
Arlington, VA 22209

Telephone: (703)247-7500
Facsimile: (703)247-7505

ACKNOWLEDGMENT

STATE OF Virginia :
 : SS
COUNTY OF Arlington :

Before me, the undersigned, a Notary Public, on this 15th day of April, 2000, personally appeared Scott McLoughlin to me known personally, who, being by me duly sworn, did say that he is the Chief Executive Officer of THE ADRENALINE GROUP, INC., and that said instrument (i.e., the Intellectual Property Security Agreement) was signed on behalf of said THE ADRENALINE GROUP by authority of its Board of Directors, and the said Chief Executive Officer acknowledged said instrument to be his/her free act and deed.

Mary Cotturo
Notary Public

My Commission Expires: My Comm. Exps. 3/31, 2002

ACKNOWLEDGEMENT

STATE OF Virginia :
 : SS
COUNTY OF Arlington :

Before me, the undersigned, a Notary Public, on this 15th day of April, 2000, personally appeared Andrew Jacobson to me known personally, who, being by me duly sworn, did say that he is the Managing Director of **MCG FINANCE CORPORATION**, and that said instrument (i.e., the Intellectual Property Security Agreement) was signed on behalf of said MCG Finance Corporation by authority of its Board of Directors (through its Credit Committee), and the said Managing Director acknowledged said instrument to be his free act and deed.

Mary Cotter
Notary Public

My Commission Expires: 3/31, 2002

DISCLOSURE SCHEDULE
TO
INTELLECTUAL PROPERTY
SECURITY AGREEMENTS

BY AND AMONG

THE ADRENALINE GROUP, INC.

AND

EACH OF ITS DIRECT AND INDIRECT SUBSIDIARIES

AND

MCG FINANCE CORPORATION
(AS AGENT FOR ITSELF AND ANY OTHER LENDER)

Executed and Effective as of May 25, 2000

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**SCHEDULE A
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The Grantor has not registered any copyrights.

**SCHEDULE B
PATENT COLLATERAL**

The Grantor has not been issued any patents.

**SCHEDULE C
TRADEMARK COLLATERAL**

The Grantor has registered or applied for the following trademarks:

1. U.S. Federal Trademark Registration:
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2. U.S. Federal Trademark Application:
 "Adrenalinux" - Ser. No. 75-852-657 - Nov. 19, 1999.

**SCHEDULE C
TRADEMARK COLLATERAL**

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