

MORTGAGE FILING PRIVILEGE TAXES HAVE BEEN PREVIOUSLY PAID ON \$700,000.00 OF INDEBTEDNESS IN CONNECTION WITH THAT CERTAIN LEASEHOLD MORTGAGE DATED MARCH 31, 1997, RECORDED WITH THE JUDGE OF PROBATE OF SHELBY COUNTY, ALABAMA AS INSTRUMENT NUMBER 1997-11913. MORTGAGE FILING PRIVILEGE TAXES ARE NOW DUE ON AN ADDITIONAL \$300,000.00 OF INDEBTEDNESS TO BE SECURED BY SUCH LEASEHOLD MORTGAGE, AS AMENDED BY THIS AMENDMENT.

## FIRST AMENDMENT TO LEASEHOLD MORTGAGE

THIS FIRST AMENDMENT TO LEASEHOLD MORTGAGE ("this Amendment") dated March 19, 2001 is entered into by RAINBOW TECHNOLOGY CORPORATION, an Alabama corporation (the "Borrower"), and NATIONAL BANK OF COMMERCE OF BIRMINGHAM, a national banking association (the "Lender").

### Recitals

A. The Borrower has previously executed in favor of the Lender that certain Leasehold Mortgage dated March 31, 1997 and recorded in the Office of the Judge of Probate of Shelby County, Alabama (the "Recording Office") as Instrument No. 1997-11913 (the "Mortgage"), which Mortgage secures certain indebtedness of the Borrower to the Lender as more particularly described therein.

B. The Borrower has requested that the Lender make certain modifications to the Loan, which modifications shall be evidenced by that certain Loan Agreement dated of even date herewith. The Lender is willing to make the requested modifications to the Loan upon the condition that, among others, the Borrower execute this Amendment to, among other things, reflect that the Mortgage shall secure the repayment of additional indebtedness.

### Agreement

NOW, THEREFORE, in consideration of the premises and the mutual agreements set forth in this Amendment, the Borrower and the Lender hereby agree as follows:

1. Capitalized terms used in this Amendment and not otherwise defined herein have the respective meanings attributed thereto in the Mortgage.

2. The Rules of Construction set forth in the Mortgage shall govern the construction and interpretation of this Amendment.

3. In order to induce the Lender to modify the terms of the Loan and to enter into this Amendment, the Borrower hereby represents and warrants that all the representations and warranties set forth in the Mortgage are true and correct as of the date of this Amendment and as of the date of execution hereof, that no event of default under the Mortgage has occurred and is continuing.

03/26/2001-10814  
07:47 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE

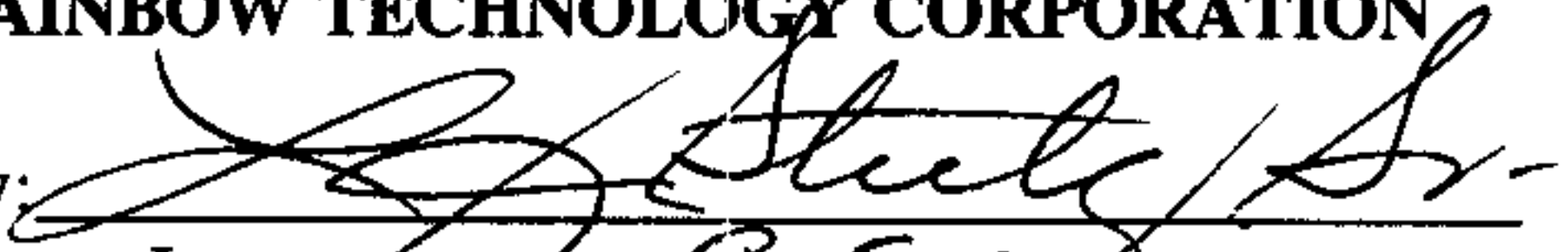
4. Section 2.2 of the Mortgage is hereby replaced in its entirety with the following:

**SECTION 2.2 Limitation on Obligations Secured.** This Agreement is given to secure the Obligations; provided, however, that notwithstanding anything to the contrary contained herein: (i) the maximum amount of the principal obligations secured by this Agreement (the "Principal Obligations") shall not exceed \$1,000,000 (the "Maximum Principal Amount") at any one time outstanding; (ii) the Maximum Principal Amount of the Principal Obligations secured by this Agreement shall be deemed to be the first Principal Obligations to be advanced and the last Principal Obligations to be repaid; (iii) the security afforded by this Agreement for the Obligations shall not be reduced by any payments or other sums applied to the reduction of the Obligations so long as the total amount of outstanding Principal Obligations exceeds the Maximum Principal Amount and thereafter shall be reduced only to the extent that any such payments and other sums are actually applied by the Lender, in accordance with the Credit Documents, to reduce the outstanding Principal Obligations to an amount less than the Maximum Principal Amount; (iv) if at any time after the reduction of the Principal Obligations to an amount less than the Maximum Principal Amount, Principal Obligations should subsequently be incurred that increase the total outstanding Principal Obligations to an amount equal to or exceeding the Maximum Principal Amount, the security afforded by this Agreement shall thereupon be increased to the Maximum Principal Amount; and (v) the limitation contained in this Section 2.2 on the Maximum Principal Amount shall only pertain to Principal Obligations and shall not be construed as limiting the amount of interest, fees, expenses, indemnified amounts and other Obligations secured hereby that are not Principal Obligations, it being the intention of the parties to this Agreement that this Agreement shall secure any Principal Obligations remaining unpaid at the time of foreclosure up to the Maximum Principal Amount, plus interest thereon, all costs of collection and all other amounts (except Principal Obligations in excess of the Maximum Principal Amount) included in the Obligations.

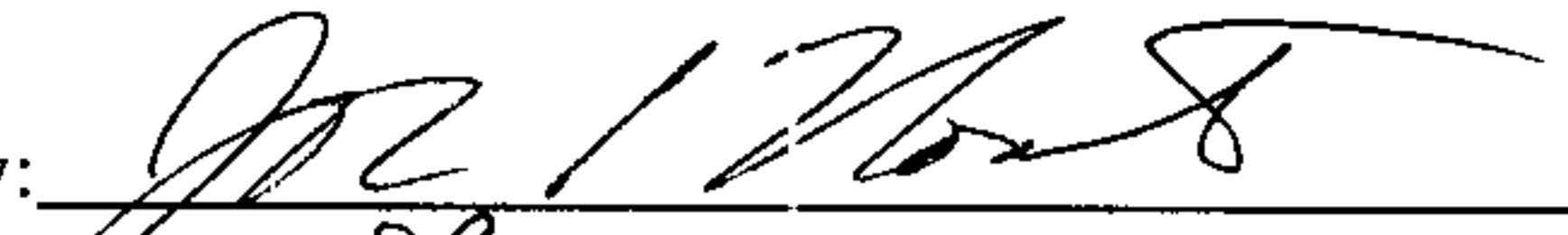
5. Except as hereby expressly modified and amended, the Mortgage shall remain in full force and effect in accordance with its terms. This Amendment is not intended to be or create, nor shall it be construed as, a novation or an accord and satisfaction of the debts secured by the Mortgage.

**IN WITNESS WHEREOF**, each of the undersigned has executed this Amendment as of the date first set forth above.

**RAINBOW TECHNOLOGY CORPORATION**

By:   
Its: C.E.O.


**NATIONAL BANK OF COMMERCE OF  
BIRMINGHAM**

By:   
Its: VP

STATE OF ALABAMA )  
COUNTY OF Shelby )

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that L. J. Steele, Sr., whose name as CEO of Rainbow Technology Corporation, an Alabama corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 19th day of March, 2001.

  
Notary Public

AFFIX SEAL

My commission expires: NOTARY PUBLIC STATE OF ALABAMA AT LARGE  
MY COMMISSION EXPIRES: Sept. 29, 2002  
BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF ALABAMA )  
COUNTY OF JEFFERSON )

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that John P. North, III, whose name as Vice President of National Bank of Commerce of Birmingham, a national banking association, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said national banking association.

Given under my hand and official seal, this 19th day of March, 2001.

  
Notary Public

[AFFIX SEAL]

My Commission Expires: NOTARY PUBLIC STATE OF ALABAMA AT LARGE  
MY COMMISSION EXPIRES: Sept. 29, 2002  
BONDED THRU NOTARY PUBLIC UNDERWRITERS

This instrument was prepared by:  
Stephen W. Stallcup, Esq.  
MAYNARD, COOPER & GALE, P.C.  
1901 Sixth Avenue North  
2400 AmSouth/Harbert Plaza  
Birmingham, Alabama 35203-2618

Inst # 2001-10814

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SHELBY COUNTY JUDGE OF PROBATE  
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