

1/21/04

01-23-2004

Form PTO-1595
(Rev. 03/01)

RECO



U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

OMB No. 0651-0027 (exp. 5/31/2002)

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Aura Communications, Inc.

2. Name and address of receiving party(ies)

Name: Duchossois Technology Partners, LLC

Internal Address: _____

Additional name(s) of conveying party(ies) attached? ☐ Yes ☐ No

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

845 Larch Avenue
Street Address: _____

City: Elmhurst State: IL Zip: 60126

Execution Date: June 11, 2003

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

SEE ATTACHED SCHEDULE B

B. Patent No.(s)

SEE ATTACHED SCHEDULE A

Additional numbers attached? ☒ Yes ☐ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Tammy S. Settle

VEDDER PRICE KAUFMAN &
Internal Address: KAMMHOLZ

Street Address: 222 North LaSalle Street

Suite 2400

City: Chicago State: IL Zip: 60601

6. Total number of applications and patents involved: 15

7. Total fee (37 CFR 3.41).....\$ 600.00

- ☐ Enclosed
☒ Authorized to be charged to deposit account

Charge any deficiencies or credit any overpayment to:
8. Deposit account number:

22-0259

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Tammy S. Settle

Name of Person Signing

Tammy S. Settle
Signature

January 16 2004
Date

01/23/2004 MAILER 00000095 220259 591225

01 FC:8021

600.00 DA

Number of pages including cover sheet, attachments, and documents: 17

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

PATENT
REEL: 014901 FRAME: 0235

PATENT AND LICENSE SECURITY AGREEMENT
BETWEEN AURA COMMUNICATIONS, INC. AND DUCHOSSOIS TECHNOLOGY
PARTNERS, LLC
PATENTS
SCHEDULE A

PATENT
5,912,925
5,771,438
5,982,764
6,459,882

PATENT APPLICATIONS
SCHEDULE B

PATENT APPLICATION
09/881,645
09/942,372
09/950,285
09/993,328
10/004,989
10/100,229
10/224,621
60/448,560
60/452,045
10/413,434
60/470,723

U.S. Patents and Applications (Active)

App. No.	App. Date	Patent No.	Grant Date	Description
08/696812	08/13/1996	5912925	06/15/1999	Diversity circuit for magnetic communications system
08/824260	03/26/1997	5771438	06/23/1998	Short range magnetic communication system
08/841502	04/23/1997	5982764	11/09/1999	Time-multiplexed short-range magnetic communications
09/053107	04/01/1998	6459882	10/01/2002	Inductive communication system and method (amended)
09/881645	06/14/2001			Diversity circuit for magnetic communications systems
09/942372	08/29/2001			Wireless communication over a transducer device
09/950285	09/10/2001			In-the-ear headset
09/993328	11/06/2001			Time-multiplexed short-range magnetic communications
10/004989	12/03/2001			Wireless communication over a transducer device
10/100229	03/15/2002			Techniques for inductive communication systems
10/224621	08/19/2002			Inductive communication system and method
60/448560	02/19/2003			Wireless spatial measurement communication system
60/452045	03/04/2003			Attachment and control system for a wireless headset and base unit
10/413434	04/11/2003			Transceiver device and fastener
60/470723	05/15/2003			Attachment System for Base and Remote

PATENT AND LICENSE SECURITY AGREEMENT

PATENT AND LICENSE SECURITY AGREEMENT ("Agreement") dated as of June 11, 2003, is between AURA COMMUNICATIONS, INC., a Massachusetts corporation (the "Company"), and DUCHOSSOIS TECHNOLOGY PARTNERS, LLC, a Delaware limited liability company, as agent ("Agent") on behalf of the lenders (together with their successors and assigns, the "Lenders") party to the Purchase Agreement (as defined below).

W I T N E S S E T H:

WHEREAS, the Company, Lenders and Agent have entered into that certain Note and Warrant Purchase Agreement of even date herewith (as amended or modified from time to time, the "Purchase Agreement") pursuant to which, among other things, the Company has granted to Agent, on behalf of the Lenders, a security interest in substantially all of its assets to secure the Company's prompt and complete payment, performance and/or observance of all of the Company's obligations and liabilities under or in connection with the Purchase Agreement and the other Transaction Documents (as defined in the Purchase Agreement) (collectively, the "Obligations"); and

WHEREAS, Agent has required, as a further condition to entering into the Purchase Agreement and to secure the obligations thereunder and under the other Transaction Documents that the Company execute this Agreement.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company agrees as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, the capitalized terms used herein which are defined in the Purchase Agreement shall have the meanings specified in the Purchase Agreement.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and schedule references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa unless otherwise specified.

2. Security Interest in Patents. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Company hereby grants to Agent a first priority security interest, having priority over all other security interests, with power of sale (upon the occurrence of and during the continuance of an Event of Default and to the extent permitted by applicable law) in all of Company's now owned or existing and hereafter acquired or arising (collectively, the "Collateral");

with copies of all relevant documents relating such approval. Company hereby authorizes Agent to unilaterally modify this Agreement by (a) amending Schedules A or B, as the case may be, to include any future patents, patent applications and license agreements in connection with patents and patent applications that are Patents or Licenses which are described under Section 2 or under this Section 4, and (b) filing with the United States Patent and Trademark Office, in addition to and not in substitution for, this Agreement, a duplicate original of this Agreement containing on Schedules A or B thereto, as the case may be, such future patents, patent applications and license agreements which are Patents or Licenses, as the case may be, which are described under Section 2 or this Section 4. Notwithstanding the foregoing, the Company hereby agrees that Agent's security interest shall extend to all of the collateral listed in Section 2 and this Section 4, regardless of whether Agent actually amends Schedule A and Schedule B.

5. Royalties. Company hereby agrees that the use by Agent of the Patents and Licenses as authorized hereunder shall be coextensive with Company's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Agent to Company.

6. Nature and Continuation of Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and the Licenses and shall remain in full force and effect until the Obligations have been paid in full. At such time the rights granted to Agent hereunder shall also terminate, and Agent agrees to execute a release and termination as necessary to effectuate the release of the security interest granted to it. If at any time all or any part of any payment theretofore applied by the Agent or any Lender to any of the Obligations is or must be rescinded or returned by the Agent or such Lender for any reason whatsoever (including the insolvency, bankruptcy or reorganization of the Company), such Obligations shall, for the purposes of this Agreement, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Agent or such Lender, and this Agreement shall continue to be effective or be reinstated, as the case may be, as to such Obligations, all as though such application by the Agent or such Lender had not been made.

7. Right to Inspect; Further Assignments and Security Interests. Agent shall have the right, upon reasonable notice from time to time, to inspect Company's premises and to examine Company's books, records and operations relating to the Patents. Company agrees not to sell or assign its respective interests in, or grant any license under, the Patents without the prior approval of the Board of Directors of the Company except for sales, assignments or grants of licenses in the ordinary course of business.

8. Duties of Company.

(a) Except with respect to Patents which the Board of Directors of the Company shall determine are not necessary or economically desirable in the operation of the Company's business, Company shall have the duty: (i) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or thereafter until the termination of this Agreement; (ii) to make application on such unpatented but patentable inventions as Company deems appropriate; and (iii) to take reasonable steps to preserve and maintain all of Company's rights in the patent applications and patents that are part of the

Patents. Any expenses incurred in connection with the foregoing shall be borne by Company. Company shall not abandon any right to file a patent application or any pending patent application or patent which is or shall be necessary or economically desirable in the operation of Company's business. Company agrees to retain an experienced patent attorney reasonably acceptable to Agent for the filing and prosecution of all such applications and other proceedings.

(b) Agent shall not have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, Agent shall not be under any obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but may do so at its option upon the occurrence of and during the continuance of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of Company and added to the Obligations secured hereby.

9. Agent's Right to Sue. Upon the occurrence of and during the continuance of an Event of Default, and subject to the terms of the Purchase Agreement, Agent shall have the right, but shall not be obligated, to bring suit to enforce the Patents and the Licenses, and, if Agent shall commence any such suit, Company shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement. Company shall, upon demand, promptly reimburse and indemnify Agent for all costs and reasonable expenses incurred by Agent in the exercise of its rights under this Section 9 (including, without limitation, all attorneys' and paralegals' fees). If, for any reason whatsoever, Agent is not reimbursed with respect to the costs and expenses referred to in the preceding sentence, such costs and expenses shall be added to the Obligations secured hereby.

10. Waivers. No course of dealing between Company and Agent, and no failure to exercise or delay in exercising on the part of Agent any right, power or privilege hereunder or under any of the other Transaction Documents shall operate as a waiver of any of Agent's rights, powers or privileges. No single or partial exercise of any right, power or privilege hereunder or under any of the other Transaction Documents shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. Agent's Exercise of Rights and Remedies Upon Default. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of and during the continuance of an Event of Default, Agent may exercise any of the rights and remedies provided in this Agreement, and any of the other Transaction Documents. Without limiting the generality of the foregoing, Company acknowledges and agrees that (i) the Patents and Licenses comprise a portion of the Collateral and Agent shall have the right to exercise its rights under the Security Agreement with respect to the Patents and Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) upon the occurrence of and during the continuance of an Event of Default, Agent or its nominee may use the Patents and Licenses in connection with the conduct of Company's business.

12. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

13. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Sections 2 and 4 hereof or by a writing signed by the parties hereto.

14. Cumulative Remedies; Power of Attorney. All of Agent's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Company hereby irrevocably appoints Agent as Company's attorney-in-fact, with full authority in the place and stead of Company and in the name of Company or otherwise to carry out the acts described below. Upon the occurrence of and during the continuance of an Event of Default, Company hereby authorizes Agent to, in its sole discretion, (i) endorse Company's name on all applications, documents, papers and instruments necessary or desirable for Agent to exercise its rights and remedies regarding the Patents and the Licenses, (ii) take any other actions to exercise its rights and remedies regarding the Patents and the Licenses as Agent deems is in its best interest, (iii) grant or issue any exclusive or non-exclusive license with respect to the Patents to anyone on commercially reasonable terms, and (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents and the Licenses to anyone on commercially reasonable terms. Company hereby ratifies all such actions that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement shall have been terminated pursuant to Section 6 hereof. Company acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Purchase Agreement or other Transaction Documents, but rather is intended to facilitate the exercise of such rights and remedies. Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which, respectively, either (y) the Patents may be located or deemed located or (z) the Licenses were granted (the "UCC").

15. Binding Effect; Benefits. This Agreement shall be binding upon Company and its successors and assigns, and shall inure to the benefit of Agent and its nominees, successors and assigns. Company's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Company; provided, however, that Company shall not voluntarily assign its obligations hereunder without the prior written consent of Agent.

16. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of The Commonwealth of Massachusetts applicable to contracts made and to be performed entirely within such State, subject, however, to the applicability of the UCC of any jurisdiction in which any Collateral may be located or deemed located at any given time.

17. Jury Trial. **EACH OF COMPANY, AGENT AND (BY ACCEPTING THE BENEFITS HEREOF) EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT, ANY NOTE, ANY OTHER TRANSACTION DOCUMENT AND ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREWITH OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH ANY OF THE**

FOREGOING, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

18. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Purchase Agreement.

19. Section Headings. The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile shall also deliver a manually executed counterpart of this Agreement, but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

21. Right of Recordal of Security Interest. Agent shall have the right, but not the obligation, at the expense of Company, to record this Agreement in the United States Patent and Trademark Office and with such other recording authorities deemed reasonable and proper by Agent. Upon satisfaction in full of the Obligations, Company shall have the right to effect recordal of such satisfaction or termination at the expense of Company in the United States Patent and Trademark Office and with such other recording authorities deemed reasonable and proper by Company. Agent and Company shall cooperate to effect all such recordals hereunder.

[SIGNATURE PAGE FOLLOWS]

Patent and License Security Agreement Signature Page

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

Company:

AURA COMMUNICATIONS, INC.

By: 

Name: Kenneth Kokinakis

Title: President

ACCEPTED AND AGREED BY:

DUCHOSSOIS TECHNOLOGY PARTNERS,
LLC

By: _____

Name: _____

Its: _____

Patent and License Security Agreement Signature Page

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

Company:

AURA COMMUNICATIONS, INC.

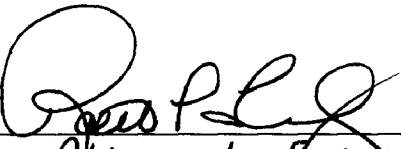
By: _____

Name: Kenneth Kokinakis

Title: President

ACCEPTED AND AGREED BY:

DUCHOSSOIS TECHNOLOGY PARTNERS,
LLC

By:  _____
Name: Robert L. REALY
Its: CPO

STATE OF Massachusetts)
) SS
COUNTY OF Middlesex)

The foregoing Patent and License Security Agreement was executed and acknowledged before me this 6 day of June, 2003, by Kenneth Kobenakis, personally known to me to be the President of Aura Communications, Inc., a Massachusetts corporation, on behalf of such entity.

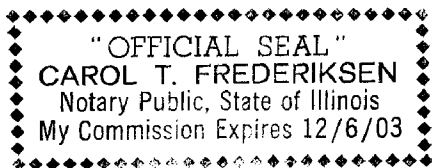
(SEAL)

Notary Public Nicole Jackson
My commission expires 10/23/09

STATE OF ILLINOIS)
COUNTY OF COOK) SS

The foregoing Patent and License Security Agreement was executed and acknowledged before me this 11th day of June, 2003, by ROBERT L. FEALY, personally known to me to be the COO of Duchossois TECnology Partners, LLC, as Agent on behalf of itself and certain Lenders.

(SEAL)



Notary Public Carol T. Frederiksen
My commission expires 12-6-03

SCHEDULE B
To Patent and License Security Agreement

LICENSES

The Company currently has outbound license agreements with each of the following potential customers:

Electro Source Ltd.
Ever Win International Corporation
FSL Electronics Pty. Ltd.
Neo Prism Co., Ltd.
Resistance Technology, Inc.
Samsin Innotec Ltd.
Sarnoff Corporation
System Pros International
Reason Products

The Company currently has inbound license Agreements relating to semiconductor intellectual property with each of the following:

Artisan Components
VAutomation, Inc.

International Patents and Applications (Active)

Country/Protocol	App. No.	App. Date	Patent No.	Grant Date	Description
China	961953578	05/17/1996			Short-range magnetic communication system
European Comm.	96920268.8	05/17/1996			Short-range magnetic communication system
European Comm.	98918353.8	04/22/1998			Time-multiplexed short-range magnetic communications
Japan	8535083	05/17/1996			Short-range magnetic communication system
Japan	10546184	04/22/1998			Time-multiplexed short-range magnetic communications
Mexico	9708893	05/17/1996	196825	06/05/2000	Short-range magnetic communication system
Patent Coop. Treaty	PCT/US02/08117	03/15/2002			Techniques for inductive communication systems
Patent Coop. Treaty	PCT/US02/08118	03/15/2002			Wireless communication over a transducer device
Singapore	97059984	05/17/1996			Short-range magnetic communication system

SCHEDULE A
To Patent and License Security Agreement

PATENTS

[COMPANY TO COMPLETE]