

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Kronos Advanced Technologies, Inc.	04/27/2007
Kronos Air Technologies, Inc.	04/27/2007

RECEIVING PARTY DATA

Name:	RICHARD A. SUN
Street Address:	10182 CASTLEWOOD LANE
City:	OAKTON
State/Country:	VIRGINIA
Postal Code:	22124

Name:	FRED R. GUMBINNER LIVING TRUST
Street Address:	11200 SORREL RIDGE LANE
City:	OAKTON
State/Country:	VIRGINIA
Postal Code:	22124

PROPERTY NUMBERS Total: 8

Property Type	Number
Patent Number:	7053565
Patent Number:	6963479
Patent Number:	6937455
Patent Number:	6919698
Patent Number:	6888314
Patent Number:	6727657
Patent Number:	6664741
Patent Number:	6504308

CH \$320.00 7053565

CORRESPONDENCE DATA

Fax Number: (703)714-8306
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: (703) 749-1368
Email: feronys@gtlaw.com
Correspondent Name: GREENBERG TRAUIG
Address Line 1: 1750 TYSONS BLVD., SUITE 1200
Address Line 4: McLEAN, VIRGINIA 22102

ATTORNEY DOCKET NUMBER:	104646.010000
NAME OF SUBMITTER:	Richard E. Kurtz

Total Attachments: 10
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SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of April 27, 2007 (this "Agreement"), is by and among Kronos Advanced Technologies, Inc., a Nevada corporation with its chief executive office and principal place of business located at 464 Common Street, Box 301, Belmont, Massachusetts 02478 (the "Debtor") and Kronos Air Technologies, Inc. a Nevada corporation with its chief executive office and principal place of business located at 15241 NE 90th Street, Redmond, Washington 98052 (the "Subsidiary" and collectively with the Debtor, the "Pledgors"), and Richard A. Sun and Fred R. Gumbinner Living Trust (individually and collectively, the "Secured Party").

WHEREAS, pursuant to those certain Secured Convertible Promissory Notes, dated April 27, 2007 (the "Notes"), the Secured Party loaned to the Debtor the principal amount of \$200,000;

WHEREAS, the Subsidiary is a direct subsidiary of the Debtor and has determined that its execution, delivery and performance of this Agreement directly or indirectly benefits, and is within the corporate purposes and in the best interest of, it;

WHEREAS, the Secured Party would not have advanced funds to the Debtor under the Note without Debtor's and Subsidiary's execution and delivery of this Agreement; and

WHEREAS, in order to secure the Debtor's obligations under the Note, the Pledgors have agreed to execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Pledgors, the Pledgors hereby agree with the Secured Party as follows:

Section I. Definitions.

(a) For the purposes of this Agreement:

"Applicable Law" means all applicable provisions of constitutions, statutes, laws, rules, regulations and orders of all governmental bodies and all orders, rulings and decrees of all courts and arbitrators.

"Business Day" means any day other than a Saturday, Sunday or other day on which banks in New York, New York are authorized or required by law to close.

"Collateral" means the following properties, assets and rights of each of the Pledgors, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof: all personal and fixture property of every kind and nature, including, without limitation, all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, intellectual property, securities of United States Persons and all other investment property, supporting obligations, any other contract rights or

rights to the payment of money, insurance claims and proceeds, tort claims, and all general intangibles.

"Event of Default" means (a) a breach by either of the Pledgors of any of its representations or warranties contained herein, (b) a breach by either of the Pledgors of any of its covenants or agreements contained herein, which breach is not cured within thirty (30) days after such Pledgor's receipt of written notice of such breach or (c) an Event of Default occurs under either of the Notes.

"Lien", as applied to the property of any Person, means any security interest, lien, encumbrance, mortgage, deed to secure debt, deed of trust, pledge, charge, conditional sale or other title retention agreement, or other encumbrance of any kind covering any property of such Person, or upon the income or profits therefrom or any agreement to convey any of the foregoing or any other agreement or interest covering the property of a Person which is intended to provide collateral security for the obligation of such Person.

"Obligations" means, individually and collectively:

- (i) all obligations of either of the Pledgors owing to the Secured Party under or with respect to this Agreement or, only with respect to the Debtor, the Notes; and
- (ii) all renewals, substitutions, modifications, extensions and supplements to any of the foregoing.

"Permitted Liens" means:

- (i) Liens securing taxes, assessments and other governmental charges or levies not yet due and payable or the claims of, or obligations owing to, materialmen, mechanics, carriers, warehousemen or landlords for labor, materials, supplies or rentals incurred in the ordinary course of business but not yet due and payable;
- (ii) Liens consisting of deposits or pledges made, in the ordinary course of business, in connection with, or to secure payment of, obligations under workmen's compensation, unemployment insurance or similar legislation;
- (iii) Liens which in the sole judgment of the Secured Party do not materially detract from the value of the Collateral;
- (iv) Liens in favor of the Secured Party;
- (v) Liens in favor of FKA Distributing Co.;
- (vi) Purchase money security interests and Liens to secure the Debtor's performance of equipment leases arising in the ordinary course of business; and
- (vii) Liens in favor of AirWorks Funding, LLLP.

"Person" means an individual, corporation, partnership, limited liability company, association, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

"UCC" means the Uniform Commercial Code of the State of New York, as in effect from time to time.

(b) Unless otherwise set forth herein to the contrary, all terms not otherwise defined herein and which are defined in the UCC are used herein with the meanings ascribed to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9 of the UCC.

Section 2. Grant of Security. To secure the prompt and complete payment, observance and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations, each of the Pledgors hereby collaterally assigns and pledges to the Secured Party, and grants to the Secured Party a security interest and Lien in and to, the Collateral. The Secured Party acknowledges that the attachment of its security interest in any commercial tort claim as original collateral is subject to the Debtor's compliance with Section 4(a). The Pledgors and the Secured Party hereby acknowledge and agree that the Security Interest is subordinated to the prior security interest in the Pledgors' assets granted by the maker on May 9, 2003 for the benefit of FKA Distributing d/b/a HoMedics, Inc., a Michigan Company.

Section 3. Authorization to File Financing Statements. Each of the Pledgors hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of such Pledgor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC or Article 9 of the Uniform Commercial Code of such other jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by part 5 of Article 9 of the UCC or the analogous part of Article 9 of the Uniform Commercial Code of such other jurisdiction for the sufficiency or filing office acceptance of any financing statement or amendment. In addition, the Secured Party shall be authorized to file notices of its security interest against all patents, patent applications and trademarks with the United States Patent and Trademark Office. Each Pledgor agrees to furnish any such information to the Secured Party promptly upon request.

Section 4. Other Actions. Further to ensure the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in the Collateral, each Pledgor agrees, in each case at such Pledgor's own expense, to take the following actions with respect to the following Collateral:

(a) **Commercial Tort Claims.** If such Pledgor shall at any time hold or acquire a commercial tort claim, such Pledgor shall immediately notify the Secured Party in a writing signed by such Pledgor of the brief details thereof and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Secured Party.

(b) Actions as to any and all Collateral. Such Pledgor agrees to take any other action reasonably requested by the Secured Party to ensure the attachment, perfection and, priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral.

Section 5. Representations and Warranties Regarding Legal Status.

(a) The Debtor represents and warrants to the Secured Party as follows: (a) the correct legal name of the Debtor is set forth in the introductory paragraph of this Agreement, and the Debtor does not conduct and, during the five-year period immediately preceding the date of this Agreement, has not conducted, business under any trade name other than Technology Selection, Inc., TSET, Inc. and as set forth in the introductory paragraph of this Agreement, (b) the Internal Revenue Service taxpayer identification number of the Debtor is 87-0440410, (c) the Debtor is a corporation, duly incorporated, validly existing and in good standing under the laws of the State of Nevada, and (d) the Debtor's place of business is accurately set forth in the introductory paragraph hereof.

(b) The Subsidiary represents and warrants to the Secured Party as follows: (a) the correct legal name of the Subsidiary is set forth in the introductory paragraph of this Agreement, and the Subsidiary does not conduct and, during the five-year period immediately preceding the date of this Agreement, has not conducted, business under any trade name other than as set forth in the introductory paragraph of this Agreement, (b) the Internal Revenue Service taxpayer identification number of the Subsidiary is 91-2046697 (c) the Subsidiary is a corporation, duly incorporated, validly existing and in good standing under the laws of the State of Nevada, and (d) the Subsidiary's place of business is accurately set forth in the introductory paragraph hereof.

Section 6. Covenants Regarding Legal Status. Each of the Pledgors covenants with the Secured Party as follows: (a) without providing at least 15 Business Days prior written notice to the Secured Party, such Pledgor will not change its name, its place of business or, if more than one, chief executive office, or its mailing address or organizational identification number if it has one, and (b) without providing at least 15 Business Days prior written notice to the Secured Party, such Pledgor will not change its type of organization, jurisdiction of organization or other legal structure.

Section 7. Representations and Warranties Regarding Collateral, Etc. Each of the Pledgors further represents and warrants to the Secured Party as follows: (a) such Pledgor is the owner of the Collateral pledged by it, free from any Lien, except for Permitted Liens, (b) none of the Collateral pledged by it constitutes or is the proceeds of "farm products" as defined in § 9-102(a)(34) of the UCC, (c) none of the account debtors or other persons obligated on any of the Collateral pledged by it is a governmental authority covered by the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral, (d) such Pledgor does not hold any commercial tort claim, and (e) to the best of such Pledgor's knowledge, such Pledgor has at all times operated its business in compliance in all material respects with all Applicable Laws.

Section 8. Covenants Regarding Collateral Generally. Each of the Pledgors further covenants with the Secured Party as follows: (a) other than Permitted Liens, such Pledgor shall

not pledge, mortgage or create, or suffer to exist any Lien in the Collateral in favor of any Person, (b) such Pledgor shall keep the Collateral in good order and repair and will not use the same in violation of any Applicable Law or any policy of insurance thereon, (c) such Pledgor shall permit the Secured Party, or its designee, to inspect the Collateral at any reasonable time upon reasonable prior notice, wherever located, and (d) such Pledgor shall not sell, transfer or otherwise dispose, or offer to sell, transfer or otherwise dispose, of the Collateral or any interest therein except for (i) sales and leases of inventory in the ordinary course of business and (ii) so long as no Event of Default has occurred and is continuing, sales or other dispositions of obsolescent items of equipment in the ordinary course of business consistent with past practices.

Section 9. Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, the Secured Party, without any other notice to or demand upon the Pledgors, shall have in any jurisdiction in which enforcement hereof is sought, in addition to the rights and remedies of a secured party under the UCC and any additional rights and remedies as may be provided to a secured party in any jurisdiction in which Collateral is located or enforcement is sought, including, without limitation, the right to take possession of the Collateral, and for that purpose the Secured Party may, so far as the Pledgors can give authority therefor, enter upon any premises on which the Collateral may be situated and remove the same therefrom. The Secured Party may in its discretion require the Pledgors to assemble all or any part of the Collateral at such location or locations within the jurisdiction(s) of each Pledgor's principal office(s) or at such other locations as the Secured Party may reasonably designate. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party shall give to the Pledgors at least five (5) Business Days prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. Each of the Pledgors hereby acknowledges that five (5) Business Days prior written notice of such sale or sales shall be reasonable notice. In addition, each of the Pledgors waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party's rights and remedies hereunder, including, without limitation, its right following an Event of Default to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

Section 10. No Waiver by Secured Party, Etc. The Secured Party shall not be deemed to have waived any of its rights and remedies in respect of the Obligations or the Collateral unless such waiver shall be in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right or remedy shall operate as a waiver of such right or remedy or any other right or remedy. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion. All rights and remedies of the Secured Party with respect to the Obligations or the Collateral, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as the Secured Party deems expedient.

Section 11. Suretyship Waivers by Pledgors. Each of the Pledgors waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of each description. With respect to both the Obligations and the Collateral, each of the Pledgors

assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Secured Party may deem advisable. The Secured Party shall not have any duty as to the collection or protection of the Collateral or any income therefrom, the preservation of rights against prior parties, or the preservation of any rights pertaining thereto beyond any duties imposed by Applicable Law. Each of the Pledgors further waives any and all other suretyship defenses.

Section 12. Marshalling. The Secured Party shall not be required to marshal any present or future collateral security (including but not limited to the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of the rights and remedies of the Secured Party hereunder and of the Secured Party in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, each of the Pledgors hereby agrees that it will not invoke any Applicable Law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's rights and remedies under this Agreement or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, each of the Pledgors hereby irrevocably waives the benefits of all such laws.

Section 13. Proceeds of Dispositions; Expenses. The Pledgors, jointly and severally, agree to pay to the Secured Party on demand any and all expenses, including attorneys' fees and disbursements, incurred or paid by the Secured Party in protecting, preserving or enforcing the Secured Party's rights and remedies under or in respect of any of the Obligations or any of the Collateral. After deducting all of said expenses, the residue of any proceeds of collection or sale or other disposition of Collateral shall, to the extent actually received in cash, be applied to the payment of the Obligations in such order or preference as the Secured Party may determine, proper allowance and provision being made for any Obligations not then due. Upon the final payment and satisfaction in full of all of the Obligations and after making any payments required by Sections 9-608(a)(1)(C) or 9-615(a)(3) of the UCC, any excess shall be returned to the Pledgors. In the absence of final payment and satisfaction in full of all of the Obligations, the Pledgors shall remain liable for any deficiency.

Section 14. Governing Law; Consent to Jurisdiction. THIS AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF.

Section 15. Amendments, Etc. No amendment or waiver of any provision of this Agreement or consent to any departure by either of the Pledgors herefrom shall in any event be effective unless the same shall be in writing and signed by the parties hereto, and then such waiver or

consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 16. Notices. Unless otherwise provided herein, communications provided for hereunder shall be in writing and shall be mailed, couriered, telecopied or delivered, to any party at its address for notices set forth in the Note (and in the case of the Subsidiary, to the address of the Debtor set forth in the Note), or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and other communications to the Pledgors or the Secured Party shall be deemed given when delivered personally, mailed by certified mail (postage pre-paid and return receipt requested), sent by overnight courier service or faxed (transmission confirmed), or otherwise actually received.

Section 17. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision of this Agreement shall be prohibited by or invalid under Applicable Law, such provisions shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

Section 18. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which, taken together, shall constitute but one and the same instrument.

Section 19. Miscellaneous. The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon each of the Pledgors and its successors and assigns (including, without limitation, trustees and liquidators), and shall inure to the benefit of the Secured Party and its successors and assigns (including, without limitation, trustees and liquidators).


[Signatures on Next Page]

IN WITNESS WHEREOF, each of the Secured Party and the Pledgors has caused this Agreement to be duly executed and delivered under seal by its duly authorized officer as of the day first above written.

**KRONOS ADVANCED TECHNOLOGIES,
INC.**

By: 
Name: DANIEL DWYER
Title: PRESIDENT + CEO

KRONOS AIR TECHNOLOGIES, INC.

By: 
Name: DANIEL DWYER
Title: PRESIDENT + CEO

Richard A. Sun

FRED R. GUMBINNER LIVING TRUST

By: _____
Name: _____
Title: _____


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KRONOS ADVANCED TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

KRONOS AIR TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____


Richard A. Sun

FRED R. GUMBINNER LIVING TRUST

By: _____
Name: _____
Title: _____

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KRONOS ADVANCED TECHNOLOGIES, INC.

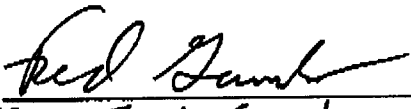
By: _____
Name: _____
Title: _____

KRONOS AIR TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

Richard A. Sun

FRED R. GUMBINNER LIVING TRUST

By: 
Name: Fred Gumbinner
Title: Trustee