

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
IntelliMat, Inc.	10/19/2007

RECEIVING PARTY DATA

Name:	New River Management IV, LP
Street Address:	1881 Grove Avenue
City:	Radford
State/Country:	VIRGINIA
Postal Code:	24141

PROPERTY NUMBERS Total: 19

Property Type	Number
Application Number:	11199130
Application Number:	11298668
Application Number:	11298450
Application Number:	11316928
Application Number:	11368472
Application Number:	11735908
Application Number:	11760195
Application Number:	11769418
Application Number:	11928264
Patent Number:	6417778
Patent Number:	6507285
Patent Number:	6873266
Patent Number:	6940418
Patent Number:	6982649
Patent Number:	7009523

PATENT

500477775

REEL: 020593 FRAME: 0118

CH \$760.00 11199130

Patent Number:	6917301
Patent Number:	7205903
Patent Number:	7145469
Patent Number:	7109881

CORRESPONDENCE DATA

Fax Number: (804)788-8218
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 8047888200
Email: lcouch@hunton.com
Correspondent Name: J. Michael Martinez de Andino
Address Line 1: HUNTON & WILLIAMS
Address Line 2: 951 E. Byrd St., Riverfront Plz, E Tower
Address Line 4: Richmond, VIRGINIA 23219-4074

ATTORNEY DOCKET NUMBER:	55853.004001
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NAME OF SUBMITTER:	David Baker
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Total Attachments: 31

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**RECORDATION FORM COVER SHEET
PATENTS ONLY**

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)

IntelliMat, Inc.

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

3. Nature of conveyance/Execution Date(s):

Execution Date(s) 10/19/2007

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☐ Other _____

2. Name and address of receiving party(ies)

Name: New River Management IV, LP

Internal Address: _____

Street Address: 1881 Grove Avenue

City: Radford

State: Virginia

Country: USA Zip: 24141

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

4. Application or patent number(s):

☐ This document is being filed together with a new application.

A. Patent Application No.(s)

11/199,130 11/298,668 11/298,450 11/316,928
11/368,472 11/735,908 11/760,195 11/769,418
11/928,264

B. Patent No.(s)

6,417,778 6,507,285 6,873,266 6,940,418
6,982,649 7,009,523 6,917,301 7,205,903
7,145,469 7,109,881

Additional numbers attached? ☐ Yes ☒ No

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

Name: J. Michael Martinez de Andino

Internal Address: HUNTON & WILLIAMS

Street Address: 951 East Byrd Street

Riverfront Plaza, East Tower

City: Richmond

State: VA Zip: 23219-4074

Phone Number: (804) 788-8200

Fax Number: (804) 788-8218

Email Address: mmartinez@hunton.com

6. Total number of applications and patents involved: 19

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 760.00

- ☐ Authorized to be charged by credit card
☒ Authorized to be charged to deposit account
☐ Enclosed
☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 08-3436

Authorized User Name David E. Baker

9. Signature:



Signature

March 4, 2008

Date

David E. Baker, Registration No. 42,285

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents:

31

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of October 19, 2007 (the "Agreement") between IntelliMat, Inc., a Virginia corporation ("IntelliMat"), and New River Management IV, LP, a Virginia limited partnership, as administrative agent (in such capacity, the "Agent") for the purchasers party to the Purchase Agreement (as defined below) (individually, a "Lender" and collectively the "Lenders") recites and provides as follows:

WHEREAS, New River Management IV, LP, a Virginia limited partnership ("NRM IV"), NewVa Capital Partners, LP, a Virginia limited partnership ("NewVa"), SPI Investments, LLC, a Virginia limited liability company ("SPI"), Edward J. Noha, Trustee Under the Edward J. Noha Declaration of Trust Dated April 29, 1991 ("Noha"), James B. Currie ("Currie") and Thomas A. Douglas ("Douglas") and, together with Noha, Currie, SPI, NRM IV and NewVa, the "Lenders") and IntelliMat have entered into a certain Secured Convertible Promissory Note Purchase Agreement (the "Purchase Agreement");

WHEREAS, pursuant to the Purchase Agreement IntelliMat has executed and delivered Secured Convertible Line of Credit Promissory Notes pursuant to which the Lenders have committed capital in the aggregate principal amount of up to \$4,000,000 (the "Notes"); and

WHEREAS, IntelliMat desires to grant a security interest in certain collateral to the Lenders to secure the Notes.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Defined Terms. The following terms shall have the following meanings, unless the context otherwise requires:
 - (a) "Accounts": any "account," as such term is defined in Section 8.9A-102 of the Code, now or hereafter owned by IntelliMat, including, in any event, without limitation, any right of IntelliMat to payment for goods sold or leased or for services rendered which IntelliMat may now have or hereafter acquire, whether or not such right has been earned by performance, including, without limitation, all accounts, accounts receivable, book debts, instruments and chattel paper, notes, drafts, acceptances, payments under leases of Equipment or sales of Inventory and other forms of obligations now or hereafter received by or belonging or owing to IntelliMat for goods sold or leased or services rendered by it, and all IntelliMat's rights in, to and under all purchase orders, instruments, and other documents now or hereafter received by it evidencing obligations for and representing payment for goods sold or leased or services rendered, and all monies due or to become due to IntelliMat under all Contracts for the sale or lease of goods or the performance of services by it, now in existence or hereafter arising, including without limitation the right to receive the Proceeds of said purchase orders and Contracts.

- (b) “Business Day”: any day other than a Saturday, Sunday or other day on which commercial banks in the Commonwealth of Virginia are authorized or required by law or executive order to close.
- (c) “Claim”: any action, suit, proceeding, claim, complaint, dispute, arbitration or investigation.
- (d) “Code”: the Uniform Commercial Code as the same may from time to time be in effect in the Commonwealth of Virginia.
- (e) “Collateral”: IntelliMat’s right, title and interest in, to and under the following:
 - (i) all existing and future Contracts;
 - (ii) all Accounts and General Intangibles in which IntelliMat shall now or hereafter have any right, title or interest (including, without limitation, (A) all moneys due and to become due under any Receivable or Contract, (B) any damages arising out of or for breach or default in respect of any such Contract or Account, (C) all other amounts from time to time paid or payable under or in connection with any such Contract or Account, (D) the right of IntelliMat to terminate any such Contract or to perform and to exercise all remedies thereunder and (E) each Patent, Patent License, Trademark and Trademark License);
 - (iii) all Equipment now or hereafter owned by IntelliMat;
 - (iv) all Inventory now or hereafter owned by IntelliMat;
 - (v) to the extent not otherwise included in paragraph (iii) of this definition, all machinery and laboratory equipment, apparatus, other equipment, fittings, fixtures, furniture and furnishings now or hereafter located upon the premises, or any part thereof, and used or usable in connection with any future occupancy or use of such premises, including, but without limiting the generality of the foregoing, all heating, lighting, incinerating, power equipment, laboratory supplies, pipes, pumps, appliances, cleaning, fire prevention, fire extinguishing, refrigerating and freezing, ventilating and communications apparatus, air cooling and air conditioning apparatus, shades, awnings, screens and windows, partitions, ducts and compressors owned by IntelliMat;
 - (vi) all instruments (as such term is defined in Section 8.9A-102 of the Code), documents of title, policies and certificates of insurance, securities, securities entitlements, investment property, bank deposits, deposit accounts, checking accounts, certificates of deposit and cash, in each case whether now owned or hereafter acquired by IntelliMat, or in which IntelliMat may now have or hereafter acquire an interest;

- (vii) all other personal property of IntelliMat whether tangible or intangible, or whether now or hereafter owned by IntelliMat and wherever located, including, but not limited to, the balance of every deposit account, now or hereafter existing, of IntelliMat with the Agent and all moneys of IntelliMat and all rights to payment of money of IntelliMat; and
 - (viii) to the extent not otherwise included, all Proceeds and products of any or all of the foregoing.
- (f) “Contracts”: all contracts, instruments, undertakings, documents or other agreements in or under which IntelliMat may now or hereafter have any right, title or interest.
- (g) “Copyright Licenses”: any written agreement granting any right to use or otherwise exploit any of the Copyrights, or in any manner permitting any third party to exercise any of the exclusive rights afforded a copyright owner under United States or other laws.
- (h) “Copyrights”: all of the following now or hereafter owned by IntelliMat: (i) all copyrights registered in the United States or any other country, including, without limitation, the U.S. registered copyrights set forth on Schedule 1(h) attached to this Agreement, and all present and future applications for copyright registrations, and all renewals and extensions of the foregoing, (ii) all copyrights which are not registered in the United States Copyright Office, and all renewals and extensions thereof, (iii) all computer programs, computer databases, computer program flow diagrams, source codes, object codes and documentation relating thereto, including without limitation those set forth on Schedule 1(h), (iv) all domain names, websites and related content, including without limitation those set forth on Schedule 1(h), and (v) all tangible or intangible property embodying or incorporating any of the foregoing.
- (i) “Equipment”: any “equipment,” as such term is defined in Section 8.9A-102 of the Code now or hereafter owned by IntelliMat and, in any event, including, without limitation, all machinery, equipment, furnishings, and fixtures now or hereafter owned by IntelliMat, including, without limitation, all items of machinery, equipment and laboratory equipment of any kind, nature and description whether affixed to real property or not, as well as, fixtures and office equipment and furniture and any and all additions to, substitutions for and replacements of or accessions to any of the foregoing, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto and any and all Proceeds of any of the foregoing.
- (j) “General Intangibles”: any “general intangibles,” as such term is defined in Section 8.9A-102 of the Code, now or hereafter owned by IntelliMat and, in any event, including, without limitation, (A) all customer lists, Trademarks, Patents, Copyrights, rights in intellectual property, Trademark Licenses, Patent Licenses, Copyright Licenses, Internet Assets, Mask Works, trade secrets, know-how,

design rights, and permits and copyrights now or hereafter owned by IntelliMat and (B) any and all claims for damages by way of past, present or future infringements of any of the rights included in clause (A) above, with the right, but not the obligation, to sue for and collect such damages.

- (k) "Governmental Authority": any federal, state or local governmental or quasi-governmental instrumentality, agency, board, commission or department or any regulatory agency, bureau, commission or authority and, when used in the plural, means all such entities.
- (l) "Indebtedness": as to any Person, (a) all obligations of such person for borrowed money (including, without limitation, reimbursement and all other obligations with respect to surety bonds, letters of credit and bankers' acceptances, whether or not matured), (b) all obligations of such person evidenced by notes, bonds, debentures or similar instruments, (c) all obligations of such person to pay the deferred purchase price of property or services, except trade accounts payable and accrued commercial or trade liabilities arising in the ordinary course of business, (d) all interest rate and currency swaps, caps, collars and similar agreements or hedging devices under which payments are obligated to be made by such Person, whether periodically or upon the happening of a contingency, (e) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (f) all obligations of such Person under leases which have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases and (g) all indebtedness secured by any Lien (other than Liens in favor of lessors under leases other than leases included in clause (f) on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or its non-recourse to the credit of that Person.
- (m) "Internet Assets" mean any internet domain names and other computer user identifiers and any rights in and to sites on the worldwide web, including rights in and to any text, graphics, audio and video files and html or other code incorporated in such sites.
- (n) "Inventory": any "inventory," as such term is defined in Section 8.9A-102 of the Code, now or hereafter owned by IntelliMat, including, without limitation, all inventory, wherever located, now owned or hereafter acquired by IntelliMat or in which IntelliMat now has or hereafter may acquire any right, title or interest, including, without limitation, all goods and other personal property now or hereafter owned by IntelliMat which are held for sale or lease or are furnished or are to be furnished under a contract of service or which constitute raw materials, work in process or materials used or consumed or to be used or consumed in IntelliMat's business, or in the processing, packaging or shipping of the same, and all finished goods.

- (o) “Lender Consent”: means the prior written consent of the Lenders holding 70% or more of the aggregate principal amount (or the aggregate Commitment (as such term is defined in the Notes) amount, if no principal is then outstanding) of the Notes; provided, that such aggregate principal amount (or aggregate commitment amount) shall not include (i) the amount of the Loans (as such term is defined in the Notes) owing to any Defaulting Lender (as such term is defined in the Notes) or (ii) the Commitment of any Defaulting Lender.
- (p) “Lien”: any mortgage, deed of trust, pledge, hypothecation, assignment, encumbrance, lien (statutory or other) or preference, priority, right or other security interest or preferential arrangement of any kind or nature whatsoever (excluding preferred stock and equity related preferences), including, without limitation, those created by, arising under or evidencing substantially the same economic effect as any of the foregoing.
- (q) “Mask Works”: any mask works and registrations and applications for registrations thereof.
- (r) “Obligations”: collectively, all Indebtedness, liabilities or obligation, whether now existing or hereafter incurred, direct or indirect, absolute or contingent, secured or unsecured, matured or unmatured, joint or several, whether for principal, interest, fees, expenses or otherwise, arising out of or in connection with the Notes or this Security Agreement.
- (s) “Patent License”: any written agreement granting any right to any invention covered by a Patent now or hereafter owned by or licensed to IntelliMat.
- (t) “Patents”: all of the following now or hereafter owned by IntelliMat: (i) all letters patent of the United States or any other country, and all applications for letters patent of the United States or any other country set forth in Schedule 1(t), and (ii) all divisionals, continuations, continuations-in-part, substitutions or reissues or extensions thereof set forth in Schedule 1(t), whether or not such applications are modified, withdrawn or resubmitted.
- (u) “Permitted Liens”: Liens (w) in favor of any Lender under any Note in compliance with the terms hereof and thereof, (x) imposed by law, which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money arising in the ordinary course of business, and which do not in the aggregate materially detract from the value of its property or assets or materially impair the use thereof in the operation of business, (y) security interests in connection with purchase money Indebtedness for equipment and capitalized leases of equipment, provided, that such security interests only attach to the equipment the purchase of which was financed by such purchase money Indebtedness or which is the subject of such capitalized leases, and (z) agreed to by IntelliMat by contract as set forth on Schedule 1(u).

- (v) "Person": any individual or group of individuals, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, Governmental Authority or other entity of any kind, and any successor (by merger or otherwise) of such entity.
 - (w) "Proceeds": "proceeds," as such term is defined in Section 8.9A-102 of the Code and, in any event, including, without limitation, the following at any time whatsoever arising or receivable (i) whatever is received upon any collection, exchange, sale or other disposition of any of the Collateral, and any property into which any of the Collateral is converted, whether cash or non-cash proceeds, (ii) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to IntelliMat from time to time with respect to any of the Collateral, (iii) any and all payments (in any form whatsoever) made or due and payable to IntelliMat from time to time in connection with any requisition, confiscation, condemnations, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority, body, bureau or agency (or any person, corporation, agency, authority or other entity acting under color of any Governmental Authority) and (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.
 - (x) "Receivables": all of IntelliMat's present and future Accounts, instruments and chattel paper including those representing sales of Inventory and the performance of services.
 - (y) "Security Agreement": this Security Agreement, as the same may be amended, supplemented or otherwise modified from time to time.
 - (z) "Trademark License": any written agreement granting any right to use any Trademark, now or hereafter owned by or licensed to IntelliMat.
 - (aa) "Trademarks": all of the following now or hereafter owned by IntelliMat: (i) all trademarks, trade names, corporate names, debtor names, business names, fictitious business names, trade styles, service marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing, as set forth in Schedule 1(aa) or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, and (ii) all reissues, extensions or renewals thereof set forth in Schedule 1(aa).
2. Grant of Security Interest; Subordination. As collateral security for the prompt and complete payment and performance when due of all the Obligations and in order to induce the Lenders to provide the loans to IntelliMat in accordance with the terms of the Purchase Agreement and the Notes issued thereunder, IntelliMat hereby grants to the Agent, for the benefit of the Lenders, a continuing security interest in and to the

Collateral, which security interest shall be deemed granted and effective as of the date hereof. IntelliMat hereby authorizes the Agent, for the benefit of the Lenders, to file such UCC financing statements and to make such other filing in such jurisdictions and with such entities as the Agent reasonably deems necessary or appropriate to perfect its security interest in the Collateral. Any such filings made by the Agent that have been disclosed by the Agent prior to execution hereof are hereby ratified and approved.

3. Delivery of Pledged Securities and Chattel Paper. All securities of IntelliMat (other than outstanding securities issued by IntelliMat), whether now owned or hereafter acquired by IntelliMat, shall be promptly delivered to the Agent by IntelliMat pursuant hereto (which securities, together with all other securities, securities entitlements, and shares of stock which may hereafter be delivered to the Agent pursuant to the terms hereof, are hereinafter called the "Pledged Securities"), shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignments in blank, with signatures appropriately guaranteed, and accompanied in each case by any required transfer tax stamps, all in form and substance satisfactory to the Agent. Schedule 3 sets forth a complete description of all Pledged Securities owned by IntelliMat on the date hereof. IntelliMat shall from time to time promptly and in accordance with the foregoing provisions deliver to the Agent, for the benefit of the Lenders, any and all Pledged Securities which may hereafter be acquired by IntelliMat. Upon satisfaction of the Obligations, the Agent agrees to deliver to IntelliMat any and all Pledged Securities still held by the Agent.
4. Representations and Warranties. IntelliMat hereby represents and warrants to the Agent and the Lenders that:
 - (a) This Security Agreement constitutes a valid obligation of IntelliMat, legally binding upon it and enforceable in accordance with its terms. Other than such consent as has already been obtained by IntelliMat as of the date hereof, no consent of any other party (including, without limitation, stockholders and creditors of IntelliMat or an affiliate thereof) and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, except for filings of financing statements in the appropriate filing offices and compliance with applicable certificate laws with respect to motor vehicles, is required in connection with the execution, delivery, performance, validity or enforceability of this Security Agreement with respect to Collateral in existence on the date hereof.
 - (b) Except for the security interest granted to the Agent for the benefit of the Lenders pursuant to this Security Agreement, IntelliMat is the sole owner of each item of the Collateral, having good and marketable title thereto, free and clear of any and all Liens except the Permitted Liens. Prior to the date hereof, IntelliMat has provided to the Lenders true and complete copies of all contracts, agreements, financing statements and other instruments, evidencing any secured obligation of IntelliMat.

- (c) No security agreement, financing statement, equivalent security or Lien or continuation statement, other than a Permitted Lien, covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed by the Agent for the benefit of the Lenders pursuant to this Security Agreement.
 - (d) This Security Agreement constitutes a valid and continuing first lien on, and first perfected security interest in, the Collateral in favor of the Agent, for the ratable benefit of the Lenders, prior to all other liens, encumbrances, security interests and rights of others, other than Permitted Liens, and is enforceable as such as against creditors of and purchasers from IntelliMat.
 - (e) The principal place of business of IntelliMat and the places where records concerning the Collateral are kept are as set forth on Schedule 4(e) and IntelliMat will not change its principal places of business or remove such records without Lender Consent, which consent shall bind all Lenders equally. IntelliMat will not remove any part of the Collateral kept at the principal place of business except in the ordinary course of business or with Lender Consent. Schedule 4(e) also sets forth all locations (street address, city, county and state) where IntelliMat owns, holds, maintains, or locates any of its assets.
5. Covenants. IntelliMat hereby covenants and agrees that from and after the date of this Security Agreement and until the Obligations are fully satisfied:
- (a) Further Documentation; Pledge of Instruments. At any time and from time to time, upon the written request of the Agent, acting with Lender Consent, and at the sole expense of the Lenders, IntelliMat will promptly and duly execute and deliver any and all such further agreements, instruments and documents and take such further action as the Agent, acting with Lender Consent, may reasonably deem desirable in obtaining the full benefits of this Security Agreement and of the rights and powers herein granted, including without limitation the filing of any financing or continuation statements under the Code in effect in any jurisdiction with respect to the liens and security interests granted hereby, transferring Collateral to the Agent's possession and using its best efforts to obtain waivers from landlords and mortgagees. IntelliMat also hereby authorizes the Agent to file any such financing or continuation statement without the signature of IntelliMat to the extent permitted by applicable law.
 - (b) Compliance with Laws, etc. IntelliMat will comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any federal, state or local government, or any political subdivision, agency, instrumentality thereof or any court applicable to the Collateral or any part thereof or to the operation of IntelliMat's business.
 - (c) Payment of Obligations. IntelliMat will promptly pay and discharge, or cause to be paid and discharged, when due and payable, all lawful taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of its

income or profits therefrom, as well as all claims of any kind in excess of \$50,000 in the aggregate (including claims for labor, materials and supplies), provided, however, that any such tax, assessment, charge, levy or claim need not be paid if (i) the validity thereof is being contested in good faith by appropriate proceedings, (ii) such proceedings do not involve any danger of the sale, forfeiture or loss of any of the Collateral or any interest therein and (iii) such charge is adequately reserved against in accordance with generally accepted accounting principles.

- (d) Limitation on Liens on Collateral. IntelliMat will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove, any Lien on the Collateral, other than Permitted Liens, and will defend the right, title and interest of the Agent and the Lenders in and to any of IntelliMat's rights to the Collateral and in and to the Proceeds and products thereof against the claims and demands of all persons whomsoever.
- (e) Maintenance of Insurance. IntelliMat will maintain with financially sound and reputable, nationally recognized companies, insurance policies (i) insuring the Collateral against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the same or similar businesses and (ii) insuring IntelliMat against liability for personal injury and property damage relating to such Collateral, such policies to be in such form and in such amounts and coverage as may be reasonably satisfactory to the Agent and appropriate for like businesses similarly situated to IntelliMat, with losses payable to IntelliMat and the Lenders as their respective interests may appear. IntelliMat shall, if so requested by the Agent, acting with Lender Consent, deliver to the Agent, for the benefit of the Lenders, as often as the Agent may reasonably request a report of a reputable insurance broker with respect to the insurance on the Collateral. IntelliMat hereby agrees that, within thirty (30) days from the Closing Date, all insurance with respect to the Collateral shall (A) name the Agent and the Lenders as additional insureds as their interests may appear, (B) provide that no cancellation, reduction in amount or change in coverage thereof shall be effective until at least ten (10) days after receipt by the Agent of written notice thereof, and (C) be reasonably satisfactory in all respects to the Agent. IntelliMat shall furnish to the Agent within thirty (30) days from the Closing Date evidence that the insurance requirements in the Transaction Documents have been satisfied, including appropriate endorsements naming the Agent and the Lenders as additional insureds.
- (f) Limitations on Dispositions of Collateral. IntelliMat will not sell, transfer, lease or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except in the ordinary course of business or with Lender Consent.
- (g) Right of Inspection. The Agent, its representatives or any designees thereof (provided, however, that with respect to such representatives or designees reasonably requested by IntelliMat, upon execution of confidentiality agreements in a form reasonably acceptable to IntelliMat; and provided, further, that no such representative or designee may be a competitor of IntelliMat or affiliated with a

competitor), shall at all times have full and free access, during normal business hours or after having provided reasonable notice to IntelliMat, to all the books, correspondence and records of IntelliMat with respect to the Collateral, and the Agent, its representatives or any designees thereof, may examine the same, take extracts therefrom and make photocopies thereof, and IntelliMat agrees to render to the Agent, at IntelliMat's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto. The Agent, its representatives or any designees thereof, shall at all times also have the right to enter into and upon any premises where any of the Collateral is located for the purpose of inspecting the same, observing its use or otherwise protecting the Agent's interests therein. IntelliMat shall also make its officers reasonably available to the Agent, its representatives or any designees thereof, for the purpose of discussing the affairs of IntelliMat with respect to any of the Collateral. Notwithstanding the foregoing, in no event shall the Agent's exercise of its rights under this Section 5(g) materially interfere with the operation of IntelliMat's business.

- (h) Continuous Perfection. Neither IntelliMat nor any subsidiary thereof will change its name, identity or corporate structure in any manner which might make any financing or continuation statement filed hereunder seriously misleading within the meaning of Section 8.9A-506 of the Code (or any other then applicable provision of the Code) unless IntelliMat shall have given the Agent at least ninety (90) days' prior written notice thereof or shall have delivered to the Agent acknowledgment copies of UCC-1 financing statements duly executed (to the extent required) and duly filed in each jurisdiction in which UCC-1 filings were required in order to perfect the security interest granted by this Agreement in the Collateral and shall have taken all action (or made arrangements to take such action substantially simultaneously with such change if it is impossible to take such action in advance) necessary or reasonably requested by the Agent to amend such financing statement or continuation statement so that it is not seriously misleading.

6. Remedies, Rights Upon Default.

- (a) If an Event of Default (as defined in the Notes) shall occur and be continuing and not be either cured within any applicable time period set forth in the Notes or waived in accordance with the Notes:
 - (i) all payments received by IntelliMat under or in connection with any of the Collateral shall be held by IntelliMat in trust for the Agent, shall be segregated from other funds of IntelliMat and shall forthwith upon receipt by IntelliMat, be turned over to the Agent, in the same form as received by IntelliMat (duly indorsed by IntelliMat to the Agent, if required); and
 - (ii) any and all such payments so received by the Agent (whether from IntelliMat or otherwise) may, in the sole discretion of the Agent, with Lender Consent, be held by the Agent as collateral security for, and/or

then or at any time thereafter applied in whole or in part by the Agent against all or any part of the Obligations in such order as the Agent shall elect. Any balance of such payments held by the Agent and remaining after payment in full of all the Obligations shall be paid over to IntelliMat or to whomsoever may be lawfully entitled to receive the same.

- (b) If any Event of Default (as defined in the Notes) shall occur and be continuing and not be either cured within any applicable time period set forth in the Notes or waived in accordance with the Notes, the Agent may exercise in addition to all other rights and remedies granted to it in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code. Without limiting the generality of the foregoing, IntelliMat expressly agrees that in any such event the Agent, without demand of performance or other demand, advertisement or notice of any kind to or upon IntelliMat or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange broker's board or at any of the Agent's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk; provided, that notwithstanding anything herein to the contrary, the Agent shall provide to IntelliMat notice of time and place of public or private sale, or the time after which any private sale or disposition is to be made, at least ten (10) days before the time of sale or disposition and IntelliMat agrees that such ten (10) days' notice is reasonable. The Agent and the Lenders shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of said Collateral so sold. IntelliMat further agrees, at the Agent's request, to assemble the Collateral, make it available to the Agent and the Lenders at places which the Agent shall select which shall be reasonably convenient to the Agent and IntelliMat, whether at IntelliMat's premises or elsewhere. The Agent shall pay over the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any or all of the Collateral or in any way relating to the rights of the Agent and the Lenders hereunder, including, without limitation, reasonable attorneys' fees and legal expenses, to the Agent for application by the Agent to the payment in whole or in part of the Obligations, in such order as the Agent, with Lender Consent, may elect, IntelliMat remaining liable for any deficiency remaining unpaid after such application, and only after so paying over such net proceeds and after the payment by the Agent of any other amount required by any provision of law, need the Agent account for the surplus, if any, to IntelliMat. To the extent permitted by applicable law, IntelliMat waives all claims, damages, and demands against the Agent and the Lenders arising out of the retention or sale of the Collateral other than any claims, damages and

demands arising out of the gross negligence or willful misconduct of the Agent or the Lenders. IntelliMat shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which the Agent and the Lenders are entitled, IntelliMat also being liable for the reasonable fees of any attorneys employed by the Agent to collect such deficiency.

- (c) IntelliMat agrees to pay all costs of the Agent and the Lenders, including reasonable attorneys' fees, incurred with respect to the collection of any of the Obligations and the enforcement of any of their respective rights hereunder.
 - (d) IntelliMat hereby waives presentment, demand, protest or any notice (to the extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.
- 7. Limitation on the Agent's Duty in Respect of Collateral. Beyond the reasonably safe custody thereof, the Agent shall not have any duty as to any Collateral in its possession or control or in the possession or control of the Agent or nominee of it or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Agent accords its own property.
 - 8. Disposition of Collateral. IntelliMat hereby renounces and waives all rights that are waivable under Article 9 of the UCC in any jurisdiction in which any Collateral may now or hereafter be located.
 - 9. Consent to Relief from Automatic Stay. IntelliMat hereby agrees that if it shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the Bankruptcy Code, as amended, (ii) be the subject of any order for relief issued under such Title 11 of the Bankruptcy Code, as amended, (iii) file or be 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) seek, consent to or acquiesce in the appointment of any trustee, receiver, conservator or liquidator, (v) be the subject of any order, judgment or decree entered by any court of competent jurisdiction approving a petition filed against IntelliMat 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, the Agent and the Lenders shall thereupon be entitled to relief from any automatic stay imposed by Section 362 of Title 11 of the Bankruptcy Code, as amended, or from any other stay or suspension of remedies imposed in any other manner with respect to the exercise of the rights and remedies otherwise available to the Agent and the Lenders under the Notes or this Security Agreement.
 - 10. Appointment of Receiver. IntelliMat agrees that the Agent shall be entitled to appointment of a receiver for the Collateral if any Event of Default (as defined in the

Notes) shall occur and be continuing and not be either cured within any applicable time period set forth in the Notes or waived in accordance with the Notes.

11. Collection of Accounts.

- (a) If any Event of Default (as defined in the Notes) shall occur and be continuing and not be either cured within any applicable time period set forth in the Notes or waived in accordance with the Notes, IntelliMat, at the request of the Agent, acting with Lender Consent, shall establish and maintain with a financial institution selected by the Agent one or more special deposit accounts (the "Collateral Accounts") into which all Proceeds, when collected by IntelliMat, whether consisting of checks, notes, drafts, bills of exchange, money orders, commercial paper of any kind whatsoever, or other documents, received as payment in respect of any Collateral, shall be promptly deposited by IntelliMat in precisely the form received, except for any required endorsement. The Collateral Accounts shall be subject to the Agent's security interest, and funds and proceeds therein shall be deemed to be held in trust by IntelliMat for and as the Agent's property. Funds and proceeds in the Collateral Accounts shall not be commingled with IntelliMat's other funds. Such funds and proceeds, when deposited in the Collateral Accounts, shall continue to be collateral security for all of the Obligations, but shall not constitute payment thereof until applied as hereinafter provided. The Collateral Accounts shall be subject to withdrawal by the Agent only, and the Agent shall, at such intervals as it shall determine and at all times with Lender Consent, apply all or any part of the funds on deposit in the Collateral Accounts on account of the principal of and/or interest on any of the Obligations, as applicable, the order and method of such application to be in the discretion of the Agent, or with Lender Consent, subject to the terms hereof, and any part of such funds that the Agent elects not so to apply and deems not required as collateral security for the Obligations shall be paid over from time to time by the Agent to IntelliMat. If an Event of Default shall not be continuing or shall be waived in accordance with the Notes, funds deposited in the Collateral Accounts shall be immediately released to IntelliMat. At the Agent's request upon the occurrence and continuance of an Event of Default, IntelliMat shall deliver to the Agent all original and other documents evidencing, and relating to, the performance of labor or service which created the Accounts.
- (b) IntelliMat hereby agrees that it will not establish or maintain any bank or deposit account other than those identified on Schedule 11(b) (each, a "Deposit Account") without the prior written consent of the Agent. At the time any such Deposit Account is established, IntelliMat shall furnish to the Agent a supplement to Schedule 11(b) hereto containing the relevant information with respect to the respective Deposit Account and the bank with which same is established. IntelliMat and the Agent agree that the Deposit Accounts shall be subject to the Agent's security interest.
- (c) IntelliMat agrees that for each Deposit Account, IntelliMat promptly shall cause the bank with which the Deposit Account is maintained to execute and deliver to

the Agent a “control agreement” in a form reasonably acceptable to the Agent; provided, that IntelliMat agrees that, for each Deposit Account listed on Schedule 11(b) on the date hereof, IntelliMat shall cause the bank with which the Deposit Account is maintained to execute and deliver to the Agent a control agreement no later than thirty (30) days from the date hereof. If any bank with which a Deposit Account is maintained refuses to, or does not, enter into such a “control agreement” in accordance with the requirements of the immediately preceding sentence, then IntelliMat shall promptly (and in any event within thirty (30) days’ after notice from the Agent) close the respective Deposit Account and transfer all balances therein to another Deposit Account meeting the requirements of this Section 11(c). If any bank required to execute and deliver a “control agreement” pursuant to this Section 11(c) and with which a Deposit Account is maintained refuses to subordinate all its claims with respect to such Deposit Account to the Agent’s security interest therein on terms satisfactory to the Agent, then the Agent, at its option, may (i) require that such Deposit Account be terminated in accordance with the immediately preceding sentence or (ii) agree to a “control agreement” without such subordination, provided that in such event the Agent may at any time, at its option, subsequently require that such Deposit Account be terminated within thirty (30) days after notice from the Agent in accordance with the requirements of the immediately preceding sentence.

- (d) If any Event of Default (as defined in the Notes) shall occur and be continuing and not be either cured within any applicable time period set forth in the Notes or waived in accordance with the Notes, (i) the Agent may notify any Person that has any monetary obligation to IntelliMat, including under any contract (each, an “Account Debtor”), that the Accounts and any other account receivable, commission receivable or other payment intangible (collectively, the “Receivables”) have been assigned to the Agent for the benefit of the Lenders and that payments shall be made directly to the Agent and (ii) upon the request of the Agent, IntelliMat will so notify such Account Debtors. The Agent may, with five (5) days’ prior notice to IntelliMat, in its own name or in the name of others communicate with Account Debtors in order to verify with them to the Agent’s satisfaction the existence, amount and terms of any Receivables.
- (e) The Agent shall have the right to make test verifications of the Receivables in any manner and through any medium it considers advisable, and IntelliMat agrees to furnish all such assistance and information as the Agent may reasonably require in connection therewith. IntelliMat at its expense will furnish to the Agent at any time and from time to time promptly upon the Agent’s request, the following reports, each of which shall be certified by the Chief Financial Officer of IntelliMat: (i) reconciliation of all Receivables, (ii) an aging of all Receivables, (iii) trial balances and (iv) a test verification of such Receivables as the Agent may request. IntelliMat will furnish to the Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all in reasonable detail.

12. Notices. All communications, notices and disclosures required or permitted by this Agreement shall be in writing and shall be deemed to have been given when delivered personally or by messenger or by reliable overnight delivery service, or when mailed by registered or certified United States mail, postage prepaid, return receipt requested, or when received via telecopy, telex or other electronic transmission, in all cases addressed to the person for whom it is intended at its or his address set forth on the signature page hereto or to such other address as a party shall have designated by notice in writing to the other party in the manner provided by this Section 12.
13. Waiver of Jury Trial and Setoff; Consent to Jurisdiction; Etc.
- (a) In any litigation in any court with respect to, in connection with, or arising out of this Security Agreement or any instrument or document delivered pursuant to this Security Agreement, or the validity, protection, interpretation, collection or enforcement hereof or thereof, or any other claim or dispute howsoever arising, between IntelliMat and the Agent, the parties to the fullest extent they may legally do so, (A) waive the right to interpose any setoff, recoupment, counterclaim or cross-claim in connection with any such litigation, irrespective of the nature of such setoff, recoupment, counterclaim or cross-claim, unless such setoff, recoupment, counterclaim or cross-claim could not, by reason of any applicable federal or state procedural laws, be interposed, pleaded or alleged in any other action and (B) WAIVE TRIAL BY JURY IN CONNECTION WITH ANY SUCH LITIGATION AND ANY RIGHT THEY MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. INTELLIMAT AGREES THAT THIS SECTION 13(a) IS A SPECIFIC AND MATERIAL ASPECT OF THIS SECURITY AGREEMENT AND ACKNOWLEDGES THAT THE LENDERS WOULD NOT EXTEND ANY CREDIT TO INTELLIMAT IF THIS SECTION 13(a) WERE NOT PART OF THIS SECURITY AGREEMENT.
- (b) The parties hereby irrevocably consent to the exclusive jurisdiction of any state court located within the City of Roanoke, Virginia or the United States District Court for the Western District of Virginia, Roanoke Division, in connection with any action or proceeding arising out of or relating to this Agreement or any document or instrument delivered pursuant to this Agreement or otherwise. In any such litigation, IntelliMat waives, to the fullest extent it may effectively do so, personal service of any summons, complaint or other process and agrees that the service thereof may be made by certified or registered mail directed to IntelliMat, at IntelliMat's address set forth on the signature page hereto. IntelliMat hereby waives, to the fullest extent it may effectively do so, the defenses of forum non conveniens and improper venue.
14. Operating Credit Line. The parties acknowledge that IntelliMat may require in the future a line of credit with a financial institution in order to further fund the cash flow for operations of IntelliMat. Should such a line of credit be approved by the Board of

Directors of IntelliMat, the Agent agrees to consider any request by such financial institution to subordinate its rights under this Security Agreement to such financial institution under commercially reasonable terms. Such subordination shall not occur without Lender Consent, which consent shall not be unreasonably withheld, delayed or conditioned.

15. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
16. No Waiver; Cumulative Remedies. The Agent shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder and no waiver shall be valid unless in writing, signed by the Agent, and then only to the extent therein set forth. A waiver by the Agent of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Agent would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Agent, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise or any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.
17. Governing Law. This Security Agreement shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Virginia without regard to principles of conflicts or choice of law (or any other law that would make any substantive laws of any state other than the Commonwealth of Virginia applicable hereto).
18. Assignment. This Security Agreement may be assigned by the Agent without the consent of, or notice to, IntelliMat and any assignee of this Security Agreement shall be deemed "the Agent" for all purposes hereunder. This Security Agreement and any obligations hereunder may not be assigned by IntelliMat. This Security Agreement and all obligations of IntelliMat hereunder shall be binding upon the successors of IntelliMat, and shall, together with the rights and remedies of the Agent and the Lenders hereunder, inure to the benefit of the Agent and the Lenders, and their successors and assigns.
19. Captions. The section headings contained in this Security Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Security Agreement.
20. Further Indemnification. IntelliMat agrees to pay, and to save the Agent and the Lenders harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be

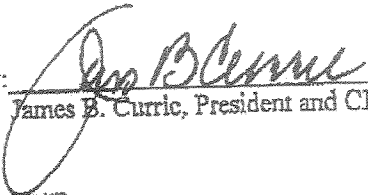
payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Security Agreement.

21. Amendments and Modification. No provision hereof may be altered, amended, waived or limited except by written instrument expressly referring to this Security Agreement and to such provision and executed by IntelliMat and the Agent.
22. Entire Agreement. This Security Agreement, the Notes and the Purchase Agreement contain the entire agreement of the parties and supersedes all other agreements and understandings, oral or written, with respect to the matters contained herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, IntelliMat and the Agent have caused this Security Agreement to be executed by their duly authorized officers on the date first set forth above.

INTELLIMAT, INC.

By: 
James B. Currie, President and CEO

AGENT:
NEW RIVER MANAGEMENT IV, LP

By: _____
Randal J. Kirk
Manager, Third Security, LLC,
which is the Manager of Third Security Capital Partners IV, LLC,
which is the General Partner of New River Management IV, LP

[Signature Page to Security Agreement]

IN WITNESS WHEREOF, IntelliMat and the Agent have caused this Security Agreement to be executed by their duly authorized officers on the date first set forth above.

INTELLIMAT, INC.

By: _____
James B. Currie, President and CEO

AGENT:
NEW RIVER MANAGEMENT IV, LP

By:  _____
Randal J. Kirk
Manager, Third Security, LLC,
which is the Manager of Third Security Capital Partners IV, LLC,
which is the General Partner of New River Management IV, LP

[Signature Page to Security Agreement]

SCHEDULE 1(h)

COPYRIGHTS AND DOMAIN NAMES

Registered copyrights: None.

Domain names:

- Intellimats.com
- Intellimat.com
- Intellimats.net
- Intellimat.net
- Levelcast.com
- Levelvision.com
- Leveltising.com
- Leveltise.com
- Leveltiser.com
- LevelDimension.com
- LevelScreen.com
- Levelize.com
- Levelmize.com
- Levelsell.com
- Levelmarketer.com
- Levelview.net
- Engagingbuyers.com
- EngageYourBuyer.com
- EngageTheBuyer.com
- Proximization.com
- Proxemist.com

SCHEDULE 1(i)

PATENTS

See attached patent portfolio summary.

INTELLIMAT, INC.
PATENT PORTFOLIO SUMMARY
ACTIVE PATENTS AND APPLICATIONS

<u>Matter No.</u>	<u>Country</u>	<u>Status</u>	<u>Application</u>	<u>Filing Date</u>	<u>Patent Number</u>	<u>Grant Date</u>	<u>Title</u>
318727	Argentina	Granted	P030100676	2/27/2003	ASR03863581	5/22/2007	Electronic Floor Display Cleaning System And Protective Cover
316750	Australia	Granted	2003235018	5/2/2000	2003235018	8/2/2007	Floor Covering With Electronic Display
318910	EPO	Granted	4710190.2	2/11/2004	1595239	8/15/2007	Electronic Display Device For Floor Advertising/Messaging
318608	Germany	Granted	10084239.9	5/2/2000	10084239	8/30/2007	Floor Covering With Electronic Display
318572	Germany	Granted	20022618.5	9/25/2001	20022618.5	3/28/2002	Floor Mat
318819	Germany	Granted	20023513.3	6/1/2004	20023513.3	12/2/2004	Floor Mat
318617	Mexico	Granted	PVA/2002/008008	5/2/2000	243078	1/8/2007	Floor Mat
318811	New Zealand	Granted	526498	6/16/2003	526498	5/12/2005	Floor Mat
318578	Russian Federation	Granted	2001132591	12/3/2001	2259803	9/10/2005	Floor Mat
318907	Singapore	Granted	200603774-1	12/3/2004	122718	9/28/2007	Display System For Use On Horizontal Or Non-Horizontal Surfaces
318615	South Africa	Granted	200119043	11/1/2001	200119043	10/29/2003	Floor Mat
318809	South Africa	Granted	2003/3375	4/30/2003	2003/3375	2/25/2004	Floor Mat
318814	South Korea	Granted	2004-7004699	3/30/2004	53726	12/12/2005	Floor Mat
318600	Taiwan	Granted	89108380	5/3/2000	NI-158721	10/29/2002	Floor Mat
318644	Taiwan	Granted	91102594	2/15/2002	NI-238707	9/1/2005	Advanced Floor Mat
318726	Taiwan	Granted	92104244	2/27/2003	1277915	4/1/2007	Electronic Floor Display Cleaning System And Protective Cover
317107	Taiwan	Granted	92113366	5/16/2003	1277914	4/1/2007	Floor Display System With Interactive Features
316885	United Kingdom	Granted	308897.8	4/16/2003	2386833	11/19/2003	Floor Mat
316928	United States	Granted	097767,946	1/24/2001	6,417,778	7/9/2002	Advanced Floor Mat
316924	United States	Granted	10/137,357	5/3/2002	6,507,285	1/14/2003	Cleaning System With Electronic Display
316927	United States	Granted	10/285,639	11/1/2002	6,873,266	3/29/2005	Electronic Floor Display
316931	United States	Granted	10/373,191	2/26/2003	6,940,418	9/6/2005	Electronic Floor Display Cleaning System And Protective Cover
316925	United States	Granted	10/438,923	5/16/2003	6,982,649	1/3/2006	Floor Display System With Interactive Features
316926	United States	Granted	10/454,631	6/5/2003	7,009,523	3/7/2006	Modular Protective Structure For Floor Display
317129	United States	Granted	10/682,435	10/10/2003	6,917,301	7/12/2005	Floor Display System With Variable Image Orientation
315849	United States	Granted	10/759,167	1/20/2004	7,205,903	4/17/2007	Interactive And Dynamic Electronic Floor Advertising/ Messaging Display
316930	United States	Granted	11/002,276	12/3/2004	7,145,469	12/5/2006	Display System For Use On Horizontal Or Non-Horizontal Surfaces
316200	United States	Granted	11/231,772	9/22/2005	7,109,881	9/19/2006	Electronic Floor Display With Weight Measurement And Reflective Display
318642	Argentina	Filed	P020100508	2/14/2002			Advanced Floor Mat
318684	Argentina	Filed	P030101724	5/16/2003			Floor Display System With Variable Image Orientation
317110	Argentina	Filed	P030103735	10/14/2003			Floor Display System With Variable Image Orientation
318864	Argentina	Filed	P040100174	1/22/2004			Interactive And Dynamic Floor Advertising Messaging Display
318806	Argentina	Filed	P040100927	3/19/2004			Planar Low Cost Electronic Surface Covering
318646	Australia	Filed	2002245427	2/13/2002			Advanced Floor Mat
333371	Australia	Filed	2007216927	2/13/2002			Advanced Floor Mat
318744	Australia	Filed	2003234569	5/14/2003			Advanced Display Mat
318704	Australia	Filed	2003287055	10/10/2003			Floor Display System With Variable Image Orientation
318883	Australia	Filed	2004207380	1/20/2004			Interactive And Dynamic Floor Advertising Messaging Display
323718	Australia	Filed	2005272965	8/9/2005			Electronic Floor Display With Alerting
318904	Australia	Filed	2004214440	8/11/2005			Electronic Display Device For Floor Advertising/Messaging
318810	Brazil	Filed	PI0017410-6	5/2/2000			Floor Covering With Electronic Display
318647	Brazil	Filed	PI0207266-1	2/13/2002			Advanced Floor Mat
317104	Brazil	Filed	315249.9	10/10/2003			Floor Display System With Variable Image Orientation
318885	Brazil	Filed	PI0406569-7	1/20/2004			Interactive And Dynamic Electronic Floor Advertising Messaging Display
318905	Brazil	Filed	PI0407598-6	2/11/2004			Electronic Display Device For Floor Advertising/Messaging

INTELLIMAT, INC.
PATENT PORTFOLIO SUMMARY
ACTIVE PATENTS AND APPLICATIONS

<u>Matter No.</u>	<u>Country</u>	<u>Status</u>	<u>Application</u>	<u>Filing Date</u>	<u>Patent Number</u>	<u>Grant Date</u>	<u>Title</u>
Alston & Bird							
323719	Brazil	Filed	PI0514264-4	8/9/2005			Electronic Floor Display With Alerting
318818	Canada	Filed	2517748	5/2/2000			Advanced Floor Mat
318650	Canada	Filed	2437361	2/13/2002			Advanced Floor Mat
318754	Canada	Filed	2485176	5/14/2003			Advanced Display Mat
318705	Canada	Filed	2502095	10/10/2003			Floor Display System With Variable Image Orientation
318886	Canada	Filed	2514113	1/20/2004			Interactive And Dynamic Electronic Floor Advertising/Messaging Display
318906	Canada	Filed	2516509	2/11/2004			Electronic Display Device For Floor Advertising/Messaging
318895	Canada	Filed	2549179	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
318895	Canada	Filed	2576339	8/9/2005			Electronic Floor Display With Alerting
323720	Canada	Filed	2581343	9/22/2005			Electronic Floor Display With Weight Measurement And Reflective Display
324584	Canada	Filed	2149528.9	5/2/2000			Floor Covering Having Electronic Display
318618	China P.R.	Filed	03816969.X	5/14/2003			Advanced Display Mat
318771	China P.R.	Filed	6108559	6/5/2003			Modular Protective Structure For Floor Display
318776	China P.R.	Filed	200480007364.7	10/10/2003			Interactive and Dynamic Floor Advertising/Messaging Display
317109	China P.R.	Filed	200380105208.X	10/10/2003			Floor Display System With Variable Image Orientation
318706	China P.R.	Filed	200480010143.5	2/11/2004			Electronic Display Device For Floor Advertising/Messaging
318908	China P.R.	Filed	200480041271.6	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
316744	China P.R.	Filed	200580030774.8	8/9/2005			Electronic Floor Display With Alerting
323721	China P.R.	Filed	PV2001-3957	5/2/2000			Advanced Floor Mat
318609	Czech Republic	Filed	PV2003-1624	5/2/2000			Floor Covering With Electronic Display
318813	Czech Republic	Filed	2022251.9	5/2/2000			Floor Covering With Electronic Display
315852	EPO	Filed	2713583.9	2/13/2002			Advanced Floor Mat
318651	EPO	Filed	3728911.3	5/14/2003			Advanced Display Mat
317105	EPO	Filed	3731574.4	6/5/2003			Modular Protective Structure For Floor Display
318777	EPO	Filed	3777576.4	10/10/2003			Floor Display System With Variable Image Orientation
318707	EPO	Filed	4703560.5	1/20/2004			Interactive And Dynamic Electronic Floor Advertising Messaging Display
318887	EPO	Filed	4812752.6	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
318896	EPO	Filed	5784331	8/9/2005			Electronic Floor Display With Alerting
323717	EPO	Filed	5801126.3	9/22/2005			Electronic Floor Display With Weight Measurement And Reflective Display
324578	EPO	Filed	10066137.8	5/2/2000			Floor Mat
318616	Germany	Filed	6103272.7	5/14/2003			Advanced Display Mat
318761	Hong Kong	Filed	6108559	6/5/2003			Modular Protective Structure For Floor Display
319991	Hong Kong	Filed	6107755.4	10/10/2003			Floor Display System With Variable Image Orientation
318702	Hong Kong	Filed	7101698.6	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
323218	Hong Kong	Filed	6111128.6	10/10/2006			Interactive and Dynamic Floor Advertising/Messaging Display
317889	Hong Kong	Filed	6112480.6	11/13/2006			Electronic Display Device For Floor Advertising/Messaging
319389	Hong Kong	Filed	P0202029	5/2/2000			Advanced Floor Mat
318571	Hungary	Filed	638/KOLNP/2007	8/9/2005			Electronic Floor Display With Alerting
323725	India	Filed	146303	5/2/2000			Advanced Floor Mat
318610	Israel	Filed	157275	2/13/2002			Advanced Floor Mat
318652	Israel	Filed	2000-614871	5/2/2000			Advanced Floor Mat
318611	Japan	Filed	2002-565296	2/13/2002			Advanced Floor Mat
318657	Japan	Filed	2004-505802	5/14/2003			Advanced Display Mat
318773	Japan	Filed	2004-510600	6/5/2003			Modular Protective Structure For Floor Display
318774	Japan	Filed	2005-501400	10/10/2003			Floor Display System With Variable Image Orientation

INTELLIMAT, INC.
PATENT PORTFOLIO SUMMARY
ACTIVE PATENTS AND APPLICATIONS

<u>Matter No.</u>	<u>Country</u>	<u>Status</u>	<u>Application</u>	<u>Filing Date</u>	<u>Patent Number</u>	<u>Grant Date</u>	<u>Title</u>
Alston & Bird							
318890	Japan	Filed	2006-502864	1/20/2004			Interactive And Dynamic Electronic Floor Advertising/Messaging Display
318911	Japan	Filed	2006-503478	2/11/2004			Electronic Display Device For Floor Advertising/Messaging
318898	Japan	Filed	2006-542733	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
323722	Japan	Filed	2007-525738	8/9/2005			Electronic Floor Display With Alerting
318862	Mexico	Filed	PA/A/2003/007243	2/13/2002			Advanced Floor Mat
318775	Mexico	Filed	PA/A/2004/011961	6/5/2003			Modular Protective Structure For Floor Display
318700	Mexico	Filed	PA/A/2005/003906	10/10/2003			Floor Display System With Variable Image Orientation
318893	Mexico	Filed	PA/A/2005/007681	1/20/2004			Interactive And Dynamic Electronic Floor Advertising/Messaging Displaying
318912	Mexico	Filed	PA/a/2005/008814	2/11/2004			Electronic Display Device For Floor Advertising/Messaging
318901	Mexico	Filed	PA/A/2006/006283	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
323724	Mexico	Filed	MX/A/2007/001673	8/9/2005			Electronic Floor Display With Alerting
324587	Mexico	Filed	MX/A/2007/003444	9/22/2005			Electronic Floor Display With Weight Measurement And Reflective Display
323726	New Zealand	Filed	553231	8/9/2005			Electronic Floor Display With Alerting
318812	Norway	Filed	20015403	5/2/2000			Floor Mat
318812	Norway	Filed	20032099	5/2/2000			Floor Covering With Electronic Display
318903	Philippines	Filed	1-2006-501098	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
318613	Poland	Filed	P-351614	5/2/2000			Floor Mat
325236	Poland	Filed	P-382073	5/2/2000			Floor Mat
318808	Russian Federation	Filed	2003114119	5/2/2000			Floor Covering With Electronic Display
318658	South Korea	Filed	10-2003-7010537	2/13/2002			Advanced Floor Mat
318703	South Korea	Filed	2005-7006302	10/10/2003			Floor Display System With Variable Image Orientation
318891	South Korea	Filed	10-2005-7013243	1/20/2004			Interactive And Dynamic Electronic Floor Advertising/Messaging Displaying
318915	South Korea	Filed	10-2005-7015019	2/11/2004			Electronic Display Device For Floor Advertising/Messaging
318900	South Korea	Filed	10-2006-7010972	12/3/2004			Display System For Use On Horizontal Or Non-Horizontal Surfaces
323723	South Korea	Filed	10-2007-7005472	8/9/2005			Electronic Floor Display With Alerting
317103	Taiwan	Filed	92128286	10/13/2003			Floor Display System With Variable Image Orientation
318881	Taiwan	Filed	93101749	1/27/2004			Interactive And Dynamic Floor Advertising/Messaging Display
318807	Taiwan	Filed	93107615	3/22/2004			Planar Low Cost Electronic Surface Covering
318601	Thailand	Filed	1001519	5/2/2000			Advanced Floor Mat
318619	Turkey	Filed	2002/02018	5/2/2000			Advanced Floor Mat
316929	United States	Filed	11/199,130	8/9/2005			Electronic Floor Display With Alerting
316934	United States	Filed	11/298,668	12/12/2005			Electronic Display Device With Adjustable Incline For Floor Advertising/Messaging
316935	United States	Filed	11/298,450	12/12/2005			Electronic Display Device With Separately Articulated Portions For Floor Advertising/Messaging
316932	United States	Filed	11/316,928	12/27/2005			Modular Protective Structure For Floor Display
316936	United States	Filed	11/368,472	3/7/2006			Floor Covering With Voice-Responsive Display
327401	United States	Filed	11/735,908	4/16/2007			Dynamic Electronic Display System With Brightness Control
327407	United States	Filed	60/912,124	4/17/2007			Edge Display
329891	United States	Filed	11/760,195	6/8/2007			Advanced Floor Mat
329754	United States	Filed	11/760,195	6/8/2007			Floor Display System With Interactive Features And Variable Image Rotation
330655	United States	Filed	11/769,418	6/27/2007			Floor Display System And Additional Displays
330830	United States	Docketed					Floor Display System (Design)

SCHEDULE 1(u)

PERMITTED LIENS

None.

SCHEDULE 1(aa)

TRADEMARKS

- 1 US Trademark Registration
 - INTELLIMAT®, Registration No. 3,123,927
- 10 Pending US Trademark Application
 - INTELLIMARKETING™ (Appl. No. 78/592,355)
 - LEVELTISE™ (Appl. No. 77/059,025)
 - LEVELCAST™ (Appl. 77/053,764)
 - LEVELVISION™ (Appl. No. 77/053,760)
 - LEVELMARKETING™ (Appl. No. 77/053,783)
 - ENGAGING PEOPLE™⁹ (Appl. No. 77/053,776)
 - ENGAGING BUYERS™ (Appl. No. 77/106,954)
 - ENGAGING CUSTOMERS™ (Appl. No. 77/106,963)
 - COUNTERVISION™ (Appl. No. 77/143,906)
 - GET MORE FROM THE FLOOR™ (Appl. No. 77/231,197)
- 2 US Trademark Investigations
 - LV
 - POINT OF PERSUASION
 - COLLEGE BOOKSTORE NETWORK (CBN)
- 1 Canadian Trademark Registration
 - INTELLIMAT, Registration No. 2,881,423

SCHEDULE 3

PLEDGED SECURITIES

Membership interests (100%) in LevelVision, LLC, a Virginia limited liability company.

SCHEDULE 4(e)

PRINCIPAL PLACE OF BUSINESS; LOCATION OF COLLATERAL

Assets are located at the IntelliMat principal place of business:

3959 Electric Road SW, Suite 330,
Roanoke, VA 24018

Additional parts, devices and manufacturing tools are located at the manufacturer:

Malibu Technologies
48700 Structural Drive
Chesterfield, MI 48501

See also attached chart for location of loaned mats.

Last Updated							
10/1/2007	Location	Date	Signed Loan Agreement	Projected Return Date	Status	Version	Serial Number
Tests	Jack Aiello	3/24/2007	yes		Proxemics testing	Model 2	C070660047
	Virginia Tech	8/16/2006	yes		In-store testing	Model 1	A120106011CR
	Virginia Tech	8/1/2007	yes		In-store testing	Model 1	C061250023
Demos	Digital Kitchen (Chicago)	5/6/2007	yes		shipped from NY 8/23	Model 2	C070370043
	J-Curve Technologies Tempe (plastic case)	8/13/2007	yes		?	Model 1	A110406038CR
	CFM	4/23/2007	yes		In-Store Testing	Model 1	C061250032
	Stech/TX lottery	12/29/2006	yes			Model 1	A120106024CR
	Kent College of Law	1/31/2007	yes			Model 1	A120106010CR
	Greece (Maggie)	12/13/2006	yes			Model 1	A110406037CR
	The Technology Group	5/1/2007	yes		Content Development	Model 1	A120106008CR
	Broadsign (Montreal)	8/22/2006	yes		Sales demonstrations	Model 1	C061250036
	Broadsign (Montreal)	9/18/2007	yes		Software development	LVP1000 Standard	C070840077
	Publicis Canada	6/27/2007	yes	9/15/2007	Ad Agency / In Store testing	Model 1	C061250028
	Publicis Canada	6/27/2007	yes	9/15/2007	Ad Agency / In Store testing	Model 1	A120106036CR
	Nanonation	7/2/2007	yes		Software development	Model 1	C061250031
	Circle K - Brad Beranik (Jedd)	7/13/2007	yes		Sales demonstrations	Model 2	C070660048
	Met Hodder (Minneapolis)	8/6/2007	yes		Content Development	Model 2	C070840054
	SCALA	9/20/2007	yes		Software development	LVP1000 Elite	
Extended Demo							
Distributor Mats	TDSG - formerly at 3M	7/5/2006	yes			Model 1	C061250001
	Jim Danschroder (Cinc)	7/19/2007	yes		Gaddy	Model 1	
	University of Wisconsin Bookstore	6/19/2006	yes		Gaddy	Model 1	A120106007CR
	Campus Emporium (Blacksburg)	8/24/2007	yes		Gaddy	Model 1	C061250008
Trade Shows	Amsterdam (SCALA - Maggie)	9/26/2007	n/a		Trade Show	LVP1000 Elite	C072350080
Sales Team	Jeff June	??	n/a		was Scott T. 4/18	Model 2	C070840052
	Dave Schaefer (w/ hard case)	3/27/2007	n/a		Sales demonstrations	Model 2	C070660049
	IntelliMats HQ, Roanoke, VA	8/6/2007			on loan to Motion Adrenaline	Model 1	C061250027
	IntelliMats HQ, Roanoke, VA		n/a		Demonstration	Model 1	C061250003
	IntelliMats HQ, Roanoke, VA	7/30/2007	n/a		Demonstration	Model 2	C070660044
	IntelliMats HQ, Roanoke, VA	5/3/2007	yes		@ 3rd Security while repairing	Model 2	C070370044
	IntelliMats HQ, Roanoke, VA	9/5/2007	n/a		Demonstration	LVP1000 Elite	C07840076
Inventory	IntelliMats HQ, Roanoke, VA	9/28/2007	n/a		testing 75% mat	LVP1000	C070840076
	New mats at Malibu (mat model 2)					Model 2	

SCHEDULE 11(b)

DEPOSIT ACCOUNTS

Bank of America Checking Account Number 0041 1927 2181
Bank of America Savings Account Number 0041 1927 2194