

Form PTO-1595 (Rev. 07/05)
OMB No. 0651-0027 (exp. 6/30/2008)

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

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)

CELIO TECHNOLOGY CORPORATION

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

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

Execution Date(s) September 30, 2008

- ☐ 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: Square 1 Bank

Internal Address: Lee Conner

Street Address: 406 Blackwell St.

Suite 240

City: Durham

State: NC

Country: USA Zip: 27701

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)

12/055167 3-25-08 and others listed on Exhibit B attached hereto

B. Patent No.(s)

Additional numbers attached? ☒ Yes ☐ No

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

Name: Lee Conner

Internal Address: Square 1 Bank

Street Address: 406 Blackwell St.

Suite 240

City: Durham

State: NC Zip: 27701

Phone Number: 919-314-3099

Fax Number: 919-354-1278 - NEW

Email Address: loandocsdept@square1bank.com

6. Total number of applications and patents involved: 4

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 160

- ☐ 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 50-3822

Authorized User Name Lee Conner

9. Signature:

Lee Conner / TKK
Signature

10-17-08
Date

Lee Conner
Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 6

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

CH \$160.00 503822 12055167

700388125

PATENT
REEL: 021698 FRAME: 0796

EXHIBIT B**PATENTS**

| Description | Registration OR Serial Number | Registration OR Filing Date |
|---|--|--|
| Title: Systems and methods for providing additional functionality to a device for increased usability | 12-055167 | 3/25/08 |
| Title: Method and apparatus for providing enhanced resolution display for display telephones and pda's | 12-042942 | 3/5/08 |
| Title: Method and apparatus for dynamically switching display drivers in mobile device operating systems | 12-042911 | 3/5/08 |
| Title: Cellular telephone companion with display and keyboard (Type: Design Patent Application) | 29-320141 | 6/20/08 |

square 1 bank

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of September 30, 2008 by and between SQUARE 1 BANK ("Bank") and CELIO TECHNOLOGY CORPORATION, a Delaware corporation ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated as of September 29, 2007 (as the same may be amended, modified or supplemented from time to time, including by that certain Third Amendment to Loan and Security Agreement, dated as of September 30, 2008, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement).

B. Bank is willing to extend and to continue to extend financial accommodations to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Bank and Grantor, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property (including without limitation those Copyrights, Patents and Trademarks listed on Exhibits A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof (collectively, "Intellectual Property Collateral").

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity.

Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

CELIO TECHNOLOGY
CORPORATION

265 E. 100 South, Suite 280
Salt Lake City, UT 84111
Attn: Kirt Bailey
FAX: (801) 596-2034

By: 

Title: CEO

BANK:

Address of Bank:

SQUARE 1 BANK

406 Blackwell Street, Suite 240
Durham, NC 27701
Attn: Loan Documentation Department

By: 

Title: VP

EXHIBIT A
COPYRIGHTS

| <u>Description</u> | <u>Registration Number</u> | <u>Registration Date</u> |
|--------------------|--------------------------------|------------------------------|
| NONE | | |

square 1 bank

EXHIBIT C
TRADEMARKS

| Description | Registration/ Application Number | Registration/ Application Date |
|-------------------------|---|---|
| REDFLY | 77/319,293 | 11-1-07 |
| REDFLY (logo) | 77/319,288 | 11-1-07 |
| REDFLY MOBILE COMPANION | 77/319,307 | 11-1-07 |

square 1 bank

1