

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
CONFIDANT, INC.	12/27/2007
RECEIVING PARTY DATA	
Name:	WINSOME INVESTORS, LLC
Street Address:	100 WINSOME LANE
City:	CHAPEL HILL
State/Country:	NORTH CAROLINA
Postal Code:	27516
PROPERTY NUMBERS Total: 3	
Property Type	Number
Application Number:	61104907
Application Number:	61032123
Application Number:	11312156
CORRESPONDENCE DATA	
Fax Number:	(919)286-8199
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	919-286-8000
Email:	joannajoslyn@mvalaw.com
Correspondent Name:	Moore & Van Allen, PLLC
Address Line 1:	PO Box 13706
Address Line 4:	Research Triangle Pa, NORTH CAROLINA 27709
ATTORNEY DOCKET NUMBER:	014749-001
NAME OF SUBMITTER:	Charles L. Moore

OP \$120.00 61104907

Total Attachments: 9
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SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "**Agreement**") is made as of December 27, 2007, among CONFIDANT, INC., a Delaware corporation and CONFIDANT INTERNATIONAL, LLC, a Delaware limited liability company (the "**Grantors**") and the undersigned parties hereto (each a "**Lender**" and collectively, the "**Lenders**").

WITNESSETH:

WHEREAS, the Lenders have each made and agreed to make certain advances of money and to extend certain financial accommodation to and for the benefit of Grantors as evidenced by those certain secured convertible promissory notes dated as of the date hereof (the "**Notes**"); and

WHEREAS, the Lenders have required and the Grantors have agreed to execute and deliver this Agreement to secure the prompt and complete payment, observance and performance of all of the Secured Obligations (as defined below).

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

1. Grant of Security Interest. Grantors hereby grant to the Lenders, security title to and a security interest in (together with a right of setoff) all property of Grantors, including, without limitation, each Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired (collectively, the "**Collateral**");

1.1. Inventory. All of each Grantor's inventory in all of its forms, wherever located, now or hereafter existing (including, without limitation, all raw materials, work in process, finished goods thereof, and materials used or consumed in the ordinary course of such Grantor's business), whether such Grantor has an interest in mass or a joint or other interest or right of any other kind (including, without limitation, goods in which such Grantor has an interest or right as consignee), and all accessions thereto and products thereof and documents and warehouse receipts therefor (any and all such inventory, accessions, products and documents being collectively referred to as the "**Inventory**").

1.2. Accounts. All of each Grantor's "accounts" as defined under the UCC (as defined below) and any and all supporting obligations in respect thereof (collectively, the "**Accounts**").

1.3. Equipment. All of each Grantor's machinery and equipment, and including all personal property constituting machinery, apparatus, equipment, fittings, fixtures, and other tangible personal property (other than Inventory) of every kind and description used or usable in such Grantor's business operations or owned by such Grantor, or in which such Grantor has an interest, and all parts, accessories and special tools relating thereto, wherever located,

whether now or hereafter existing or acquired, and all proceeds thereof and substitutions and replacements therefor, including, without limitation, all insurance proceeds payable with respect to any of the foregoing (collectively, the "**Equipment**").

1.4. General Intangibles. All general intangibles (including payment intangibles, contract rights, rights to payment, rights arising under common law, statutes, or regulations, choses or things in action, goodwill, patents, trade names, trademarks, servicemarks, copyrights, and other intellectual property, blueprints, drawings, purchase orders, customer lists, warehouse receipts, drafts, acceptances, monies due or recoverable from pension funds, route lists, rights to payment and other rights under any royalty or licensing agreements, infringement claims, computer programs, information contained on computer disks or tapes, software, literature, reports, catalogs, money, insurance premium rebates, tax refunds, and tax refund claims, whether negotiable or non-negotiable, of each Grantor, whether secured or unsecured, and whether now existing or hereafter created or arising, and all rights now or hereafter existing in and to all security agreements, leases, and other contracts securing or otherwise relating to Accounts or any such contract rights, securities, warehouse receipts, drafts, acceptances, payment intangibles or general intangibles (any and all such leases, security agreements and other contracts being the "**Related Contracts**") and including, without limitation, the proceeds of all warranty agreements and service contracts sold by or on behalf of such Grantor), and any and all supporting obligations in respect thereof, and any other personal property (all of such property (other than goods, Accounts, Investment Property and Instruments and Documents) is collectively referred to herein as the "**General Intangibles**").

1.5. Instruments and Documents. All "instruments," "documents," "deposit accounts," "chattel paper," "letters of credit," "letter of credit rights," and "promissory notes" as defined in the Uniform Commercial Code as in effect in the State of Delaware (the "UCC"), including (without limitation) all electronic chattel paper, tangible chattel paper, warehouse receipts and other documents of title, policies and certificates of insurance, checking, savings, and other bank accounts, certificates of deposit, checks, notes and drafts, now or hereafter acquired, to the extent not included in Accounts, owned or held by each Grantor, whether or not in negotiable form, and all collateral and other security therefor, whether now or hereafter existing or acquired, and all proceeds thereof and all substitutions and replacements therefor and any and all supporting obligations in respect thereof (collectively, the "**Instruments and Documents**").

1.6. Investment Property. All investment property of each Grantor, including, without limitation, all securities, whether certificated or uncertificated, security entitlements, securities accounts, commodity contracts and commodity accounts, and all shares of capital stock, partnership or other ownership interests, of whatever class or character, now or hereafter owned by such Grantor, in each case together with the certificates evidencing the same, and any and all supporting obligations in respect thereof (the "**Investment Property**").

1.7. Books. All books and records (including, without limitation, computer tapes, programs, printouts, and all other computer materials, records and software) recording, evidencing or relating to any or all of the foregoing described in this Section 1 above (collectively, the "**Books**").

1.8. Proceeds. To the extent not otherwise included, all proceeds of any and all of the foregoing (including, without limitation, cash proceeds and other proceeds which constitute property of the types described in this Section 1) and, to the extent not otherwise included, all payments under insurance (whether or not the Lenders are the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing, and all accessions to, substitutions and replacements for, and rents and profits of, each of the foregoing.

2. Obligations Secured. The security interest granted hereby secures the prompt and complete payment and performance when due of all indebtedness, obligations and liabilities of Grantors to the Lenders under the Notes (the "**Secured Obligations**").

3. Grantors' Right to Use Collateral. Until the occurrence of an Event of Default (as defined in Section 5 below) and notice from Lenders holding at least 50% of the aggregate outstanding principal amount of the Notes authorized to be issued by the Board of Directors of Confidant, Inc. on December 14, 2007 (the "**Required Lenders**") to the Grantors to the contrary, Grantors:

3.1. Use of Inventory. May sell or lease any of the Inventory normally held by such Grantors for such purpose, and use and consume any raw materials or materials normally held by such Grantors for such purpose, all in the ordinary course of such Grantors' business.

3.2. Use of Accounts. Will endeavor to collect, as and when due, all amounts due with respect to any of the Accounts, including the taking of such action with respect to such collection as the Required Lenders may reasonably request or, in the absence of such request, as such Grantors may deem advisable; and, in the ordinary course of business may grant to any party obligated on any of the Accounts any rebate, refund or adjustment to which such party may be lawfully entitled; and, in connection therewith, may accept the return of goods the sale of which shall have given rise to such Accounts.

3.3. Direct Collection by the Lenders. Notwithstanding the foregoing, the Required Lenders may, at any time during the continuance of an Event of Default, and at Grantors' expense, notify or direct Grantors to notify (which notification Grantors agree to promptly undertake) any parties obligated on any of the Accounts to make payment directly to the Lenders, of any amounts due, or to become due, thereunder and the Required Lenders may enforce collection of any of the Accounts by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise, extend, or renew same for any period. All monies so received by the Lenders, shall be applied to each of the Notes on a pro-rata basis.

4. Agreements of Grantors. Each Grantor hereby agrees that:

4.1. Organizational Status; Perfection of Security Interest. Grantor shall maintain and shall not make any changes to its organizational status from that in existence on the date hereof. Grantor hereby authorizes the Lenders to file such financing statements and other documents in all public offices deemed necessary by the Lenders at Grantor's expense. Grantor

agrees to do such other acts and things, all as the Required Lenders may from time to time reasonably request, to establish and maintain a valid and perfected security interest in all of the Collateral, free of all other liens and claims except those expressly permitted by this Security Agreement. Grantor hereby authorizes the Lenders, to file financing statements describing the Collateral as "all assets of the debtor" or "all personal property of the debtor" without the signature of such Grantor so long as any of the Secured Obligations remain unpaid. Upon payment in full of the Secured Obligations or conversion of all of the Notes, the Lenders shall authorize the Grantor to file such termination statements as the Grantor shall reasonably request.

4.2. Furnishing of Information. Grantor will furnish the Lenders such information concerning Grantor, the Collateral, and any obligors on any of the Accounts as the Lenders may from time to time reasonably request.

4.3. Inspection. Grantor will permit the Lenders, at such reasonable times, and upon prior notice, during normal business hours and as often as the Lenders may reasonably request, to inspect the Collateral, and to inspect, audit and make copies of and extracts from books, records and all other papers in possession of Grantor pertaining to the Collateral and any obligors on any of the Accounts.

4.4. Notation on Records. Upon the request of the Lenders, Grantor will stamp on its records relating to the Collateral a notation in form and content satisfactory to the Lenders of the security interest of the Lenders hereunder.

4.5. Transfers and Encumbrances. Except for the sale or lease of Inventory in the ordinary course of its business as permitted under Section 3.1 hereof, Grantor will not sell, lease, assign or create or permit to exist any lien on, or security interest in, any Collateral to or in favor of anyone other than the Lenders without prior written consent of the Lenders, except for liens representing the Senior Lien or the Permitted Liens and as expressly permitted by this Security Agreement.

4.6. Collection Expenses. Grantor will reimburse the Lenders for all reasonable, out-of-pocket expenses, including actual and reasonable attorneys' fees and expenses, incurred by the Lenders in seeking to collect or enforce any rights under the Collateral and incurred by the Lenders in seeking to collect any of the Secured Obligations and to enforce any rights hereunder.

4.7. Maintenance of Collateral. Grantor will at all times maintain the Collateral in good condition and will not waste, misuse or otherwise permit the Collateral to deteriorate in value, except for items consumed in the ordinary course of business and ordinary wear and tear.

4.8. Use of Equipment. The Equipment will be used solely for business use and will remain in the possession or control of Grantor at all times at Grantor's risk of loss; provided, however, that Grantor may, in the ordinary course of its business and consistent with past practices, remove and transport Equipment on a temporary basis for repairs.

4.9. Waivers. Grantor hereby waives, to the full extent permitted by law, the benefit of all appraisement, valuation, stay, extension and redemption laws, now or hereafter in force, and all rights of marshalling of the assets of Grantor in the event of any sale of the Collateral or any part thereof or any interest therein pursuant hereto, whether upon foreclosure or by power of sale or otherwise and whether under executory process or other legal process. Grantor waives notice of demand and delivery and all other notices, delays and demands.

4.10. Performance of Grantors' Obligations by the Lenders. Upon prior written notice to such Grantor, the Required Lenders may from time to time perform any obligation of Grantor hereunder which Grantor shall fail to perform and take any other action which the Required Lenders deem reasonably necessary for the maintenance or preservation of any of the Collateral or their interest therein, and Grantor agrees that all reasonable expenses incurred by the Lenders in connection with this Section 4.10 shall be indebtedness secured hereby.

4.11. Chattel Paper. Grantor will take all steps necessary to grant the Lenders control of all "electronic chattel paper" (as defined in the UCC) in accordance with the UCC and all "transferable records" as defined in each of the Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

4.12. Financing Statements. Grantor is not required or authorized to file any financing statement or amendment or termination statement with respect to any financing statement without the prior written consent of the Required Lenders and agrees that it shall not do so without the prior written consent of the Required Lenders.

4.13 Insurance. Grantor will at all times maintain insurance with respect to its Inventory, Equipment and businesses, with financially sound and reputable insurers, having coverage against losses or damages of the kinds customarily insured against by reputable companies in the same or similar businesses, such insurance being in amounts no less than those amounts which are customary for such companies under similar circumstances.

5. Events of Default. "Event of Default" as used herein shall have the meaning set forth in the Notes.

6. Procedures Upon Default.

6.1. Remedies. Upon the occurrence and during the continuance of any Event of Default, and only with the prior written consent of the Required Lenders, the Lenders may take the following action: (i) to exercise any and all rights, powers and privileges with respect to the Collateral; or (ii) exercise from time to time any other right or remedy available to the Lenders under the applicable Uniform Commercial Code or otherwise available under the Notes, at law or in equity. Upon the occurrence and during the continuance of an Event of Default, and at the option of the Required Lenders, Grantors shall (x) cease the sale, lease or furnishing under contract of service of any of the Inventory and cease the use or consumption thereof in business; (y) at its expense assemble all the Collateral at a convenient place satisfactory to the Required Lenders; and (z) pay all costs and expenses of the Lenders of collection of any and all the Secured Obligations and enforcement of rights hereunder, including reasonable attorneys' fees

actually incurred. All rights and remedies specified herein are cumulative and are in addition to such other rights and remedies as are otherwise available to the Lenders; subject to the requirement that the Lenders agree not to pursue such other rights and remedies without the prior written consent of the Required Lenders.

6.2. Notices. If any notification of intended disposition of any of the Collateral is required by law, such notification if mailed shall be deemed reasonably and properly given if mailed at least ten (10) days before such disposition in accordance with Section 9.9 hereof.

7. Priority Among Lenders; Exercise of Rights. As between the Lenders and subject to Section 8, the rights granted hereunder will be held by each of the Lenders pro rata in accordance with the then-current amount of unpaid Notes to each of the Lenders, and on a *pari passu* basis of equal seniority and priority. In the event that any Lender is identified alone as the creditor or the secured party in any financing statement or similar document intended to perfect a security interest granted under this Agreement, such Lender will hold and exercise any rights arising therefrom in trust for the benefit of all Lenders on a pro rata, *pari passu* basis as described above. The Lenders hereby agree that rights granted under this Agreement will be exercised only in the manner decided by the vote of the Required Lenders.

8. Application of Proceeds. All cash proceeds received by the Lenders in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied as follows: (i) first, to the payment of the costs and expenses of such sale or sales and collections and the attorneys' fees and out-of-pocket expenses incurred by the Lenders relating to costs of collection; (ii) second, any surplus then remaining will be applied to the unpaid Notes; and (iii) third, any surplus then remaining will be paid to the Grantor. Notwithstanding the foregoing, all cash proceeds received by the Lenders in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may be held by the Lenders as collateral for, or then or at any time thereafter be applied in whole or in part by the Lenders pursuant to the foregoing sentence.

9. Miscellaneous.

9.1. No Waiver; Remedies Cumulative. No failure or delay on the part of the Lenders in exercising any right or remedy hereunder or under the Notes and no course of dealing between the Grantors and the Lenders shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy hereunder. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which the Lenders would otherwise have. No notice to or demand on the Grantors required hereunder shall entitle the Grantors to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Lenders to any other or further action in any circumstances without notice or demand.

9.2. Counterparts. This Security Agreement may be executed in any number of counterparts, and by different parties hereto on separate counterparts, each of which when so

executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart hereto by facsimile shall be deemed delivery of an originally executed counterpart hereto.

9.3. Governing Law. In all respects, including all matters of construction, validity and performance, this Security Agreement and the Secured Obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware applicable to contracts made and performed in such state, without regard to the principles thereof regarding conflict of laws, except to the extent that the UCC provides for the application of the law of a different jurisdiction.

9.4. Captions. The headings of the several sections and subsections of this Security Agreement are inserted for convenience only and shall in no way affect the meaning or construction of any provision of this Security Agreement.

9.5. Severability. If any part of any provision of this Security Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provision or the remaining provisions.

9.6. Modification. No amendment or waiver of any provision of this Security Agreement nor consent to any departure by the Grantors therefrom shall in any event be effective unless the same shall be in writing and signed by the Required Lenders, and the Grantors, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

9.7. Survival of Representations. All representations and warranties contained herein or made in writing by Grantors in connection herewith shall survive the execution and delivery of this Security Agreement and any and all other documents and writings relating to or arising out of any of the foregoing or any of the Secured Obligations.

9.8. Successors and Assigns. This Security Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, however, that the Grantors may not sell, assign or delegate rights and obligations hereunder without the prior written consent of the Required Lenders.

9.9. Notices. Any notice required or desired to be given under this Agreement shall be provided in writing via hand-delivery, facsimile (with confirmation of delivery), recognized express courier, or certified mail to addresses listed below and shall be deemed given upon the date of delivery. Addresses or facsimile numbers may be changed by providing notice in accordance with this Section.

if to the Grantors:

Confidant, Inc.
Confidant International, LLC
2530 Meridian Parkway

Suite 300
Durham NC 27713

with a copy to:

Byron B. Kirkland, Esq.
Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, L.L.P.
P. O. Box 2611
Raleigh, NC 27602

if to the Lenders:

To the Addresses on the Signature Page hereof

9.10. Time of Essence. Time is of the essence.

9.11. Term of Agreement. Grantors expressly agree that this Security Agreement and the security interest in the Collateral conveyed to the Lenders hereunder shall remain valid and in full force and effect until the Secured Obligations have been satisfied in full.

9.12. Payments Free of Taxes, Etc. All payments made by the Grantors under this Agreement and the Notes shall be made by the Grantors free and clear of and without deduction for any and all present and future taxes, levies, charges, deductions and withholdings. In addition, the Grantors shall pay upon demand any stamp or other taxes, levies or charges of any jurisdiction with respect to the execution, delivery, registration, performance and enforcement of this Agreement. Upon request by a Lender, the Grantors shall furnish evidence satisfactory to such Lender that all requisite authorizations and approvals by, and notices to and filings with, governmental authorities and regulatory bodies have been obtained and made and that all requisite taxes, levies and charges have been paid.

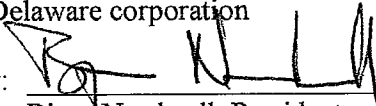
9.13. QHTB Compliance Agreement. Notwithstanding anything to the contrary herein, nothing in this Security Agreement shall be deemed to supersede, amend, modify or waive any provisions of the QHTB Compliance Agreement dated as of December 22, 2006 by and among Grantors, Confidant Hawaii, LLC, Hawaii Strategic Innovation Fund, LLC and PacifiCap Credit Hawaii Fund I, LLC.

9.14. Equity Issuances. Confidant, Inc. covenants and agrees that without the approval of its Board of Directors and Winsome Investors, LLC, Confidant, Inc. shall not issue additional equity securities, including options to purchase shares of capital stock to employees or officers of Confidant, Inc.

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

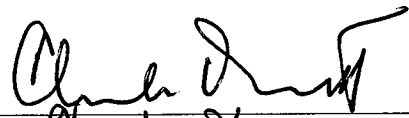
GRANTOR:

CONFIDANT, INC.,
a Delaware corporation

By: 
Bjorn Nordwall, President

LENDERS:

WINSOME INVESTORS, LLC

By: 
Name: Charles Olvera
Title: member manager
Address: _____