

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
Auditory Licensing Company, LLC	05/06/2009
RECEIVING PARTY DATA	
Name:	Entrepreneur Growth Capital LLC
Street Address:	505 Park Avenue
City:	New York
State/Country:	NEW YORK
Postal Code:	10022
PROPERTY NUMBERS Total: 5	
Property Type	Number
Patent Number:	7421086
Patent Number:	7076076
Application Number:	12170574
Application Number:	10773731
Application Number:	10325529
CORRESPONDENCE DATA	
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<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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ATTORNEY DOCKET NUMBER:	32789/4
NAME OF SUBMITTER:	Richard S. Mandaro

CH \$200.00 7421086

Total Attachments: 5

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PATENT SECURITY AGREEMENT

This Patent Security Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time, the "**Patent Security Agreement**") dated May 10, 2009 is made by AUDITORY LICENSING COMPANY, LLC (formerly known as VIVATONE HEARING SYSTEMS, LLC) ("**Grantor**") in favor of ENTREPRENEUR GROWTH CAPITAL LLC (the "**Secured Party**").

WHEREAS, Grantor has executed and delivered certain Loan and Security Agreements, including among others, an Assignment Agreement dated May __, 2009, and one or more Promissory Notes, made or to be made by the Grantor to the Secured Party (each as amended, amended and restated, supplemented or otherwise modified from time to time, the "**Loan Agreements**"). Terms defined in the Loan Agreements and not otherwise defined herein are used herein as defined in the Loan Agreements.

WHEREAS, under the terms of the Loan Agreements, the Grantor has granted to the Secured Party, a security interest in, among other property, certain general intangibles including, but not limited to, patents and patent applications of the Grantor, and has agreed as a condition thereof to execute this Patent Security Agreement for recording with the U.S. Patent and Trademark Office and any other appropriate governmental authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

Section 1. **Grant of Security.** Grantor hereby grants to the Secured Party a continuing security interest in all of such Grantor's right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "**Patent Collateral**"), whether now owned or existing or hereafter acquired or arising:

(i) each issued Patent or pending patent application owned by the Grantor, including, without limitation, each Patent and patent application referred to in **Schedule 1** hereto; and

(ii) any and all proceeds of, collateral for, income, royalties and other payments now or hereafter due and payable with respect to any and all of the foregoing, including, without limitation, all proceeds of and revenues from any and all claims for damages and injunctive relief for past, present and future infringement, misappropriation, violation, misuse or breach with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect or otherwise recover such damages.

Section 2. ***No Transfer of Grantor's Rights.*** Except to the extent expressly permitted in the Loan Agreements, Grantor agrees not to sell, license, exchange, assign, or otherwise transfer or dispose of, or grant any rights with respect to, or mortgage or otherwise encumber, any of the Patent Collateral.

Section 3. ***Warranties and Representations.***

(i) Grantor believes it has the sole, full and clear title to each of the Patents/patent applications in the United States shown on **Schedule 1** hereto and believes that the issued patents are valid and subsisting and in full force and effect and have not been claimed or adjudged invalid or unenforceable in whole or in part. Grantor shall diligently prosecute any patent application now pending which is shown on **Schedule 1** hereto or subsequently acquired or made by it during the term of this Agreement, unless Grantor shall determine in its reasonable business judgment that it is not economically prudent to prosecute or continue to prosecute such Patent application. Grantor believes that none of the Patent Collateral has been abandoned or dedicated, and Grantor will not do any act, or omit to do any act, nor permit any licensee thereof to do any act, whereby any issued patent or patent application may become abandoned or dedicated and shall notify the Secured Party promptly if it knows of any reason or has reason to know that any application or issued patent may become abandoned or dedicated; provided, however, that Grantor may choose to abandon or dedicate any issued patent or pending patent application, if, in Grantor's reasonable business judgment, to do so is in the best business interests of Grantor. Prior to the intentional abandonment or dedication of any Patent Collateral, Grantor agrees to notify the Secured Party in writing.

(ii) In the event that Grantor, either itself or through any subsidiary, affiliate, agent, employee, licensee or designee, shall file an application for the issuance of any Patent with the United States Patent and Trademark Office, or shall obtain issuance of any Patent previously applied for, or shall adopt, acquire or obtain rights to any new patent application, or become entitled to the benefit of any patent application or any patent or any part thereof for re-issue, re-examination, continuation, continuation-in-part, division, improvement or extension, Grantor shall promptly inform the Secured Party, and, upon request of the Secured Party, execute and deliver any and all assignments, agreements, instruments, documents and papers as the Secured Party may request to evidence the Secured Party's interest in such Patent and the goodwill and general intangibles of Grantor relating thereto or represented thereby. Grantor hereby appoints the Secured Party as its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest and is irrevocable until the Obligations are paid in full. Grantor authorizes the amendment of the schedules hereto to include any future Patent or patent applications which may be acquired or made by Grantor.

(iii) As of the date hereof, Grantor nor any affiliate or subsidiary thereof, has any Patents or pending patent applications registered in the United States Patent and Trademark Office other than those described in **Schedule 1** hereto.

(iv) In the event that any Patent is infringed, misappropriated or diluted by a third party, Grantor shall promptly notify the Secured Party and shall, unless Grantor shall determine in its reasonable business judgment that it is not economically prudent to do so, promptly sue for infringement, misappropriation and/or dilution and to obtain injunctive relief and recover damages therefor, and shall take such other actions to protect such Patent as Grantor shall deem appropriate in its reasonable business judgment under the circumstances.

Section 4. **Security for Obligations.** The grant of continuing security interest in the Patent Collateral by the Grantor under this Patent Security Agreement secures the Obligations of such Grantor, now or hereafter existing under or in respect of the Loan Agreements whether direct or indirect, absolute or contingent.

Section 5. **Recordation.** Grantor authorizes and requests that the Commissioner for Patents and any other applicable government officer record this Patent Security Agreement.

Section 6. **Execution in Counterparts.** This Patent Security Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

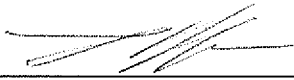
Section 7. **Grants, Rights and Remedies.** This Patent Security Agreement has been executed and delivered by the Grantor for the purpose of recording the grant of security interest herein with the U.S. Patent and Trademark Office. The security interest granted hereby has been granted to the Secured Party in connection with the Loan Agreements and is expressly subject to the terms and conditions thereof. The Loan Agreements (and all rights and remedies of the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

Section 8. **Governing Law.** This Patent Security Agreement shall be governed by, and construed in accordance with, the laws of the State of New York. All proceedings in relation to this agreement shall be heard by a court of competent jurisdiction in the State of New York.

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Signature page follows

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

AUDITORY LICENSING COMPANY, LLC (formerly known as VIVATONE HEARING SYSTEMS, LLC)

By: 
Name: Leon C. Hirsch
Title: President & Chairman

Address for Notices:

One Gorham Island
Westport, CT 06880

Schedule 1

Issued Patents:

1. US 7,421,086
2. US 7,076,076

Published Patent Applications:

1. US Patent Publication No. 2008-0273733
2. US Patent Publication No. 2005-0078843
3. US Patent Publication No. 2004-0047483