

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 |
| SANDATA, LLC | 03/24/2010 |
| RECEIVING PARTY DATA | |
| Name: | TD BANK, N.A. |
| Street Address: | 45 MELVILLE PARK ROAD |
| City: | MELVILLE |
| State/Country: | NEW YORK |
| Postal Code: | 11747 |
| PROPERTY NUMBERS Total: 6 | |
| Property Type | Number |
| Patent Number: | 5255183 |
| Patent Number: | 5646839 |
| Patent Number: | 5963912 |
| Patent Number: | 5835575 |
| Patent Number: | 5949856 |
| Application Number: | 12605921 |
| CORRESPONDENCE DATA | |
| Fax Number: | (516)336-2243 |
| <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i> | |
| Phone: | (516) 227-0742 |
| Email: | lmciver@farrellfritz.com |
| Correspondent Name: | Farrell Fritz, P.C. ATTN: Lisa G. McIver |
| Address Line 1: | 1320 RXR Plaza |
| Address Line 4: | Uniondale, NEW YORK 11556 |
| NAME OF SUBMITTER: | Lisa G. McIver |

OP \$240.00 5255183

501143866

**PATENT
REEL: 024202 FRAME: 0781**

Total Attachments: 11

source=Sandata Patent Assignment1#page1.tif
source=Sandata Patent Assignment1#page2.tif
source=Sandata Patent Assignment1#page3.tif
source=Sandata Patent Assignment1#page4.tif
source=Sandata Patent Assignment1#page5.tif
source=Sandata Patent Assignment1#page6.tif
source=Sandata Patent Assignment1#page7.tif
source=Sandata Patent Assignment1#page8.tif
source=Sandata Patent Assignment1#page9.tif
source=Sandata Patent Assignment1#page10.tif
source=Sandata Patent Assignment1#page11.tif

PATENT SECURITY AGREEMENT

This Patent Security Agreement ("Agreement") is made this 24th day of March, 2010, by **SANDATA, LLC**, a Delaware corporation, having its principal place of business at 26 Harbor Park Drive, Port Washington, NY 11050 ("Borrower"), and delivered to **TD BANK, N.A.** having an address of 45 Melville Park Road, Melville, NY 11747 ("Lender").

BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith between Borrower and Lender (as it may be supplemented, restated, superseded, amended or replaced from time to time, the "Loan Agreement"), under which Borrower is granting Lender a lien on and security interest in certain assets of Borrower associated with or relating to services or products sold incorporating Borrower's Patent Collateral (as defined herein), and under which Lender is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Borrower has rights with respect to: (i) the United States Letters Patent described and claimed therein set forth on Schedule A hereto (hereinafter referred to collectively as the "Patents"); (ii) the application for Letters Patent described and claimed therein set forth on Schedule A hereto and any United States Letters Patent which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"); (iii) any reissues, extension, division or continuation of the Patents or Applications (such reissues, extension, divisions and continuations being herein referred to collectively as the "Reissued Patents"); and (iv) all future royalties or other fees paid or payments made to Borrower in respect of the Patents (hereinafter referred to collectively as the "Royalties"), (the Patents, Applications and the Reissued Patents and the Royalties being herein referred to collectively as the "Patent Rights").

C. Pursuant to the Loan Agreement, Lender is acquiring a lien on, security interest in and, during the existence of an Event of Default, a license to use the Patent Collateral as security for all of Borrower's Obligations (as defined in the Loan Agreement), and Lender desires to have its security interest in such Patent Collateral confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Borrower's Obligations, Borrower grants to Lender a lien on and security interest in all of the Patent Rights and all proceeds thereof and all Borrower's right, title, interest, claims and demands that Borrower has or may have in profits and damages for past and future infringements of the Patent Rights (such rights, interest, claims and demand being herein called the "Claims") (the Patent Rights and Claims are collectively referred to as the "Patent Collateral").

2. Borrower hereby covenants and agrees to maintain the Patent Collateral material to the conduct of its business as permitted under applicable law in full force and effect until all of Borrower's Obligations are indefeasibly paid and satisfied in full.

3. Borrower represents, warrants and covenants to Lender that:

(a) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Patent Collateral as set forth on Schedule "A".

(b) The Patent Collateral is subsisting and has not been adjudged invalid or unenforceable;

(c) All of the Patent Rights are registered, valid and enforceable;

(d) All of the Patent Collateral is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Borrower and Lender hereunder and licenses implicit in the products and services incorporating the Patent Collateral) and covenants by Borrower not to sue third persons;

(e) Borrower has no written notice of any suits or actions commenced or threatened against it, or written notice of claims asserted or threatened against it, with reference to the Patent Collateral;

(f) Borrower has the limited liability company right, power and authority to enter into this Agreement and perform its terms;

(g) Borrower has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 35 U.S.C. §1 et seq. and any other applicable statutes, rules and regulations in connection with its use of the Patent Collateral except where failure to comply would not have a Material Adverse Effect on Borrower and its Subsidiaries, taken as a whole, or the Patent Collateral; and

(h) Borrower has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold incorporating the Patent Collateral.

4. Borrower further covenants that:

(a) Until all the Borrower's Obligations are indefeasibly paid and satisfied in full, Borrower will not enter into any agreement, including, without limitation, license agreements or options, which are inconsistent with Borrower's obligations under this Agreement, Borrower's obligations under the Loan Agreement or which materially restrict or impair Lender's rights hereunder.

(b) If Borrower acquires rights to any new Patent Collateral, the provisions of this Agreement shall automatically apply thereto and such Patent Collateral shall be deemed part of the Patent Collateral. Borrower shall give Lender prompt written notice thereof along with an amended Schedule "A."

5. So long as this Agreement is in effect and so long as Borrower has not received written notice from Lender that an Event of Default has occurred under the Loan Agreement and that Lender has not elected to exercise its rights hereunder: (i) Borrower shall continue to have the exclusive right to use the Patent Collateral; and (ii) Lender shall have no right to use the Patent Collateral or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Patent Collateral to anyone else.

6. Borrower agrees not to sell, license (other than licenses implicit in the products and services incorporating the Patent Collateral), grant any option, assign or further encumber its rights and interest in the Patent Collateral material to the conduct of its business to any entity or person other than Lender without the prior written consent of Lender.

7. Anything herein contained to the contrary notwithstanding, if and while an Event of Default exists under the Loan Agreement, Borrower hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect from time to time, in the State of New York, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Patent Collateral covered hereby. For such purposes, while an Event of Default exists, Borrower hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Patent Collateral or to grant or issue any exclusive or non-exclusive license under the Patent Collateral to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral to anyone else including, without limitation, the power to execute a Patent Assignment in the form attached hereto as Exhibit 1. Borrower hereby ratifies all actions that such attorney or agent shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney or agent. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all Borrower's Obligations are indefeasibly paid and satisfied in full.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted to Lender under the Loan Documents. In the event of an inconsistency between this Agreement and Loan Agreement, the language of this Agreement shall control.

10. Upon Borrower's performance of all of the obligations under the Loan Documents and after all of Borrower's Obligations are indefeasibly paid and satisfied in full, Lender shall, at Borrower's expense, execute and deliver to Borrower all documents reasonably necessary to terminate Lender's security interest in the Patent Collateral.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral, in each case in accordance with the terms of this Agreement, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the principal amount of Borrower's Obligations to Lender and shall bear interest at the otherwise applicable rate prescribed in the Loan Agreement.

12. Subject to the terms of the Loan Agreement, Borrower shall have the duty to prosecute diligently any application and/or registration with respect to the Patent Collateral material to the conduct of its business pending as of the date of this Agreement or thereafter, until Borrower's Obligations are indefeasibly paid and satisfied in full, to preserve and maintain all rights in the Patent Collateral material to the conduct of its business, and upon reasonable request of Lender, Borrower shall make federal

application on registerable but unregistered Patent Collateral belonging to Borrower and licensed to Borrower. Any reasonable expenses incurred in connection with such applications shall be borne exclusively by Borrower. Borrower shall not abandon any Patent Collateral material to the conduct of its business without the prior written consent of Lender.

13. Borrower shall have the right to bring suit in its own name to enforce the Patent Collateral, in which event Lender may, if Borrower reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Borrower shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. Upon the occurrence and during the continuance of an Event of Default under the Loan Agreement, Lender may, without any obligation to do so, complete any obligation of Borrower hereunder, in Borrower's name or in Lender's name, but at the expense of Borrower.

15. No course of dealing between Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Patent Collateral, whether established hereby or by the Loan Documents, or by any other future agreements between Borrower and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

16. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. Borrower may not transfer, assign or delegate any of its duties or obligations hereunder.

17. THIS AGREEMENT, AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND ALL RELATED AGREEMENTS AND DOCUMENTS, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF NEW YORK. THE PROVISIONS OF THIS AGREEMENT AND ALL OTHER AGREEMENTS AND DOCUMENTS REFERRED TO HEREIN ARE TO BE DEEMED SEVERABLE, AND THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION SHALL NOT AFFECT OR IMPAIR THE REMAINING PROVISIONS WHICH SHALL CONTINUE IN FULL FORCE AND EFFECT.

18. Each of Borrower and Lender hereby irrevocably consents to the non-exclusive jurisdiction of the Courts of the State of New York or the United States District Court for the Eastern District of the State of New York in any and all actions and proceedings whether arising hereunder or under any other agreement or undertaking. Each of Borrower and Lender waives any objection which Borrower may have based upon lack of personal jurisdiction, improper venue or forum non conveniens. Each of Borrower and Lender irrevocably agrees to service of process by certified mail, return receipt requested to the address of the appropriate party set forth in the preamble of this Agreement.

19. BORROWER (AND LENDER BY ITS ACCEPTANCE HEREOF) HEREBY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION, PROCEEDING OR COUNTERCLAIM ARISING WITH RESPECT TO RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO OR UNDER THE LOAN DOCUMENTS OR WITH RESPECT TO ANY CLAIMS ARISING OUT OF ANY DISCUSSIONS, NEGOTIATIONS OR COMMUNICATIONS INVOLVING OR RELATED TO ANY PROPOSED RENEWAL, EXTENSION, AMENDMENT, MODIFICATION, RESTRUCTURE, FORBEARANCE, WORKOUT, OR

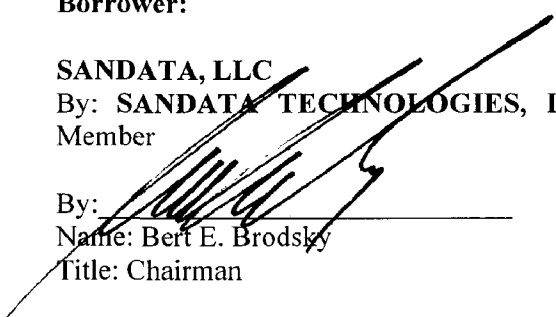
ENFORCEMENT OF THE TRANSACTIONS CONTEMPLATED HEREUNDER OR UNDER THE
LOAN DOCUMENTS.

IN WITNESS WHEREOF, the parties hereto have executed this Patent Security Agreement,
under seal, the day and year first above written.

Borrower:

SANDATA, LLC

By: **SANDATA TECHNOLOGIES, INC.**, its Sole
Member

By: 
Name: Bert E. Brodsky
Title: Chairman

Address: 26 Harbor Park Drive
Port Washington, NY 11050

Approved and Accepted:
TD BANK, N. A.

By: _____
Name: Robert Ehrlich
Title: Vice-President

ENFORCEMENT OF THE TRANSACTIONS CONTEMPLATED HEREUNDER OR UNDER THE
LOAN DOCUMENTS.

IN WITNESS WHEREOF, the parties hereto have executed this Patent Security Agreement,
under seal, the day and year first above written.

Borrower:

SANDATA, LLC

By: **SANDATA TECHNOLOGIES, INC.**, its Sole
Member

By: 

Name: Bert E. Brodsky

Title: Chairman

Address: 26 Harbor Park Drive
Port Washington, NY 11050

Approved and Accepted:
TD BANK, N. A.

By: 

Name: Robert Ehrlich

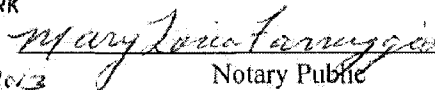
Title: Vice-President

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

On the 24 day of March in the year 2010 before me, the undersigned, personally appeared Bert E. Brodsky personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

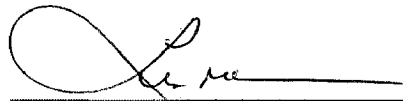
MARY LORIA FARRUGGIO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FA5048561
Qualified in Suffolk County
My Commission Expires August 28, 2013


Notary Public

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

On the 24 day of March in the year 2010 before me, the undersigned, personally appeared Robert Ehrlich, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

LISA M. VACCARO
Notary Public, State of New York
No. 02VA5049635
Qualified in Nassau County
Commission Expires 09/18/2013

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

On the 24 day of March in the year 2010 before me, the undersigned, personally appeared Bert E. Brodsky, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

MARY LORIA FARRUGGIO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FA5048561
Qualified in Suffolk County 2013
My Commission Expires August 28, ~~2009~~

Mary Loria Farruggio
Notary Public

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

On the ____ day of March in the year 2010 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

Schedule A to Patent Security Agreement

| <u>Patent</u> | <u>Number</u> | <u>Date</u> | <u>Jurisdiction</u> | <u>Expiration</u> |
|---|----------------------|--------------------|----------------------------|--------------------------|
| Telephone-based personnel tracking system | 5,255,183 | 10/19/1993 | United States | 10/19/2010 |
| Telephone-based personnel tracking system | 5,646,839 | 07/08/1997 | United States | 10/19/2010 |
| Telephone-based personnel tracking system | 5,963,912 | 10/05/1999 | United States | 10/19/2010 |
| Data Collection System | 5,835,575 | 11/10/1998 | United States | 11/10/2015 |
| Data Collection System | 5,949,856 | 09/07/1999 | United States | 10/10/2015 |
| Time and/or Attendance System Using Synchronized Code | 12/605,921 | 10/26/2009 | United States | Pending |

Exhibit 1 to Patent Security Agreement

PATENT ASSIGNMENT

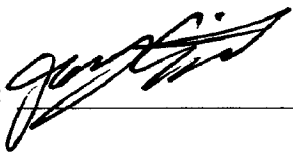
WHEREAS, **SANDATA, LLC**, a Delaware corporation ("Grantor"), is the registered owner, holder or user of: (i) the United States Letters Patent registered in the United States Patent and Trademark Office and set forth on Schedule A hereto (hereinafter referred to collectively as the "Patents"); (ii) the application for Letters Patent set forth on Schedule A hereto and any United States Letters Patents which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"); (iii) any reissues, extension, division or continuation of the Patents or Applications (such reissues, extension, divisions and continuations being herein referred to collectively as the "Reissued Patents"); and (iv) all future royalties or other fees paid or payments made to Borrower in respect of the Patents (hereinafter referred to collectively as the "Royalties"), (the Patents, Applications and the Reissued Patents and the Royalties being herein referred to collectively as the "Patent Rights").

WHEREAS, _____ ("Grantee"), having a place of business at _____ is desirous of acquiring the Patent Rights;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Patent Rights and all proceeds thereof and all Borrower's right, title, interest, claims and demands that Borrower has or may have in profits and damages for past and future infringements of the Patent Rights.

IN WITNESS WHEREOF, the undersigned has caused this Patent Assignment to be executed as of the 24 day of March, ~~200~~ 2010

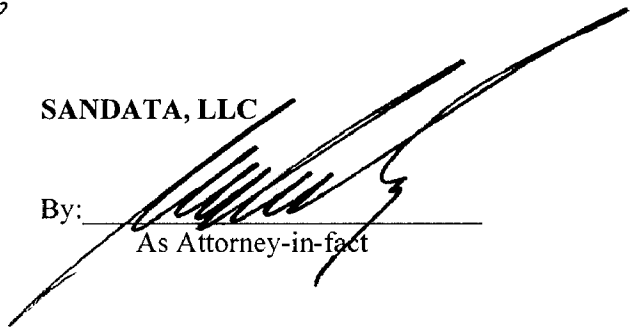
Witness: _____



SANDATA, LLC

By: _____

As Attorney-in-fact



ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS:
COUNTY OF Nassau)

On the 24 day of March in the year 2010 before me, the undersigned, personally appeared Bert E. Brodsky personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Mary Loria Farruggio
Notary Public

MARY LORIA FARRUGGIO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FA5048561
Qualified in Suffolk County
My Commission Expires August 28, 2013

MARY LORIA FARRUGGIO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01FA5048561
Qualified in Suffolk County
My Commission Expires August 28, ~~2009~~