#### 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
S Mobile Systems, Inc.	04/13/2010

#### **RECEIVING PARTY DATA**

Name:	R.H. Book, LLC	
Street Address:	One Parker Plaza	
Internal Address:	15th Floor	
City:	Fort Lee	
State/Country:	NEW JERSEY	
Postal Code:	07024	

PROPERTY NUMBERS Total: 10

Property Type	Number
Application Number:	11697647
Application Number:	11697664
Application Number:	11697642
Application Number:	11697668
Application Number:	11697658
Application Number:	11869719
Application Number:	11869729
Application Number:	11946003
Application Number:	12029451
Application Number:	61167483

#### **CORRESPONDENCE DATA**

Fax Number: (202)533-9099

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 202-467-8856

**PATENT** 

REEL: 024239 FRAME: 0895

CH \$400.00 1169/6

501149361

Email: behogue@vorys.com, iplaw@vorys.com, rsdonnell@vorys.com

Correspondent Name: Richard S. Donnell Address Line 1: 1909 K Street, NW

Address Line 2: 9th Floor

Address Line 4: Washington, DISTRICT OF COLUMBIA 20036

ATTORNEY DOCKET NUMBER: 64880-4/0769/SMOBILEPAT

NAME OF SUBMITTER: Richard S. Donnell

Total Attachments: 10

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#### PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this "<u>Agreement</u>"), dated as of April 13, 2010 (the "<u>Effective Date</u>"), is entered into by and between S MOBILE SYSTEMS, INC., an Ohio corporation ("<u>Debtor</u>"), whose principal place of business and mailing address is 4320 East 5<sup>th</sup> Ave., Columbus, Ohio 43219, and R.H. Book, LLC, whose principal place of business and mailing address is One Parker Plaza, 15<sup>th</sup> Floor, Fort Lee, NJ 07024 ("<u>Secured Party</u>"). Debtor hereby grants to Secured Party a continuing security interest in and to, and Lien on, all of the "Patent Collateral", as defined in <u>Section 2</u> of this Agreement. Debtor and Secured Party hereby further agree as follows:

- 1. **SECURED OBLIGATIONS:** The security interest and Lien hereby granted shall secure the full, prompt and complete payment and performance of all of the Obligations.
- 2. PATENT COLLATERAL: The collateral in which a security interest and Lien is hereby granted (the "Patent Collateral") comprises collectively: (a) all of Debtor's right, title and interest in and to all of its now or in the future owned or existing patents and patent applications, including the inventions and improvements described and claimed in those patents and patent applications and the patents listed on Schedule I attached and made a part of this Agreement (the property in this item (a) being collectively, the "Patents"); (b) all reissues, divisions, continuations, renewals, extensions and continuations-in-part of each of the Patents; (c) all income, royalties, damages and payments now and in the future due or payable under or with respect to any and all of the Patents, including damages and payments for past or future infringements of any and all of the Patents; (d) all rights to sue for past, present and future infringements of any and all of the Patents; (e) all rights corresponding to any and all of the Patents throughout the world; and (f) all rights of Debtor as licensor or licensee under, and with respect to, any patents or patent applications, including the licenses listed on Schedule I and the Patent Licenses (as defined in Section 4(a)) (Debtor's rights as licensor or licensee sometimes referred to in this Agreement collectively as "Patent License Rights").
- 3. **DEFINITIONS:** Any capitalized term used but not defined herein shall have the meaning ascribed thereto in the Amended and Restated Promissory Note in the principal amount of \$2,823,387.60 of even date herewith made by Debtor in favor of R.H. Book, LLC as payee (as the same may be amended, renewed, consolidated, restated or replaced from time to time, the "Note"). All of the uncapitalized terms contained in this Agreement which are now or hereafter defined in the Ohio UCC will, unless the context expressly indicates otherwise, have the meanings provided for now or hereafter in the Ohio UCC, as such definitions may be enlarged or expanded from time to time by amendment or judicial decision. As used in this Agreement, the "Uniform Commercial Code" means the Uniform Commercial Code as adopted in each applicable jurisdiction, as amended or superseded from time to time; and the "Ohio UCC" means the Uniform Commercial Code, as adopted in Ohio, as amended or superseded from time to time.

#### 4. LICENSES:

(a) Except for licenses attendant to products and services provided by Debtor in the ordinary course of business. Debtor expressly represents, warrants, covenants and agrees that

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Debtor shall not license, as licensor, any Patents (a "<u>Patent License</u>") included in the Patent Collateral without the prior written consent of Secured Party, and each such Patent License so granted shall be subject to the terms and conditions of this Agreement, including the termination provisions in <u>Section 4(b)</u> herein.

(b) Upon the occurrence of an Event of Default, Secured Party shall have the right, immediately or at any time thereafter, to deliver to Debtor and to each licensee under a Patent License notice terminating the Patent Licenses, whereupon: (i) the Patent Licenses will automatically and immediately terminate without any further notice or demand (which Debtor expressly waives); (ii) all rights and interests of the licensees in and to and under the Patent Licenses will revert to Debtor; and (iii) all rights of the licensees in the Patent Collateral will cease to exist and be void. If the Event of Default is cured to Secured Party's satisfaction or is waived in writing by Secured Party, then, without any further action on the part of Secured Party, the Patent Licenses will immediately revest with the licensees on the cessation of such Event of Default subject to the terms of this Agreement.

#### 5. REPRESENTATIONS AND WARRANTIES:

To induce the Secured Party to make Loans and other extensions of credit pursuant to the Note, Debtor represents to the Secured Party that the following statements are as of the date hereof and as of the date that each representation and warranty set forth in the Note is required to be made or remade pursuant thereto, true:

- (a) Except for the security interest hereby granted, Debtor is, and as to any property which at any time forms a part of the Patent Collateral, shall be, the owner of each and every item of the Patent Collateral, free from any Lien or license (other than Permitted Liens or any license expressly permitted by this Agreement); and Debtor has full right to grant the security interest hereby granted;
- (b) Set forth in <u>Schedule I</u> is a complete and accurate list of all federally registered Patents and Patent License Rights owned by Debtor or in which Debtor has any rights;
- (c) Except as otherwise set forth on <u>Schedule I</u>, (i) as of the date of this Agreement, each Patent identified in <u>Schedule I</u> is subsisting and has not been adjudged invalid, unpatentable, or unenforceable, in whole or in part, and is enforceable, and (ii) each Patent is subsisting and has not been adjudged invalid, unpatentable, or unenforceable, in whole or in part, and is enforceable;
- (d) As of the date of this Agreement, Debtor has not granted any license, release, covenant not to sue, or non-assertion assurance to any Person with respect to any part of the Patent Collateral except as disclosed on <u>Schedule I</u> or except as expressly permitted under <u>Section 4(a)</u>;
- (e) Reasonable and proper statutory notice has been used in all respects in connection with the use of each registered Patent;
- (f) Except as may be set forth on <u>Schedule I</u>, (i) as of the date of this Agreement, the Patent License Rights are in full force and effect, and (ii) the Patent License Rights are in full force

and effect. Debtor is not in default under any of the Patent License Rights, and no event has occurred which with notice, the passage of time, the satisfaction of any other condition, or all of them, would reasonably be expected to constitute a default by Debtor under the Patent License Rights; and

- (g) Except for the filing of financing statements and the recording of this Agreement with the United States Patent and Trademark Office, no authorization, consent, approval or other action by, and no notice to or filing or recording with, any governmental authority is currently or is reasonably expected to be required either: (i) for the grant by Debtor of the Liens granted hereby or for the execution, delivery or performance of this Agreement by Debtor or (ii) for the perfection of or the exercise by Secured Party of its rights or remedies hereunder.
- **6. DEBTOR'S RESPONSIBILITIES AND AGREEMENTS:** Until the Obligations are fully paid, performed and satisfied and this Agreement is terminated:
- (a) Debtor will furnish to Secured Party upon Secured Party's request a current list of the Patent Collateral for the purpose of identifying the Patent Collateral, including any licensing of Patent Collateral, and all other reports in connection with the Patent Collateral as Secured Party may request, all in reasonable detail, and further execute and deliver such supplemental instruments as Secured Party shall require for the purpose of confirming and perfecting Secured Party's security interest in any or all of the Patent Collateral;
- (b) Should Debtor obtain an ownership interest in any federally registered Patent License Rights or federally registered Patents, which is not now identified in Schedule I: (i) Debtor will give prompt written notice to Secured Party, (ii) the provisions of Section 2 shall automatically apply to the Patent License Rights and Patents acquired or obtained, and (iii) each of such Patent License Rights and Patents shall automatically become part of the Patent Collateral under this Section 6(b). Debtor authorizes Secured Party to modify this Agreement by amending Schedule I to include any Patents and Patent License Rights which become part of the Patent Collateral under this Section 6(b);
- (c) To the extent that Debtor determines in its reasonable discretion that it is in Debtor's best interest to do so, Debtor will take all necessary steps in any proceeding before the United States Patent and Trademark Office (or any similar office or agency in any other country or any political subdivision of that country) or in any court: (i) to maintain and pursue any patent application now or in the future included in the Patent Collateral related or useful to Debtor's business and (ii) to maintain each patent now or in the future included in the Patent Collateral related or useful to Debtor's business, including the filing of divisional, continuation, continuation-in-part and substitute applications; the filing of applications for reissue, renewal or extensions; the payment of maintenance fees, and the participation in reexamination, opposition, interference and infringement proceedings. To the extent necessary to the conduct of its business, Debtor agrees to take corresponding steps with respect to each new or other registered Patent and patent application to which Debtor is now or later becomes entitled. Any expenses incurred in connection with such activities shall be borne by Debtor. Debtor shall not abandon any right to file a patent application or abandon any pending patent application or patent unless it is the opinion of Debtor's counsel that a meaningful patent will not issue on a patent application.

Notwithstanding anything to the contrary in this <u>Section 6(c)</u>, Debtor shall not have any obligations under this <u>Section 6(c)</u> with respect to any patent identified as "expired" on <u>Schedule I</u>;

- (d) Debtor will notify Secured Party immediately in writing (i) of any information which Debtor has received or is otherwise known to Debtor, which would reasonably be expected to materially adversely affect the value of the Patent Collateral or the rights of the Secured Party with respect thereto; (ii) when any item of the Patent Collateral may become abandoned or dedicated; (iii) of any adverse written determination by a court or other governmental authority (including the institution of any proceeding in the United States Patent and Trademark Office or any other U.S. or foreign court or tribunal of any kind) regarding any item of the Patent Collateral; or (iv) that Debtor is or potentially could be in default of any of the Patent License Rights;
- (e) Debtor will promptly notify Secured Party if any of the Patent Collateral is infringed or misappropriated by any Person, and will, to the extent that Debtor determines in its discretion, exercised in a commercially reasonable manner, that it is in Debtor's best interests to do so, promptly sue for infringement or misappropriation and for recovery of all damages caused by the infringement or misappropriation, and will take all other commercially reasonable actions under the circumstances to protect the Patent Collateral. Any expense incurred in connection with the foregoing activities will be borne by Debtor;
- (f) Except as expressly permitted by this Agreement or as expressly permitted by the Credit Agreement, Debtor will not (i) sell, assign (by operation of law or otherwise), license or otherwise dispose of any of the Patent Collateral; (ii) create or suffer to exist any Liens on, or with respect to, any of the Patent Collateral except as may otherwise be disclosed in Schedule I; or (iii) take any other action in connection with any of the items of Patent Collateral that would reasonably be expected to impair the value of the interests or rights of Debtor or the Secured Party in, to or under such Patent Collateral;
- (g) Debtor will use, and will cause the use of, reasonable and proper statutory notice in connection with its use of a Patent in its business, except where the failure to do so would not reasonably be expected to impair the value of the interests or rights of Debtor or the Secured Party in, to or under such Patent; and
- (h) Debtor will pay all expenses and attorneys' fees incurred by the Secured Party in the exercise (including enforcement) of any of the Secured Party' rights or remedies under this Agreement or applicable law; and Debtor agrees that said expenses and fees shall constitute part of the Obligations and be secured by the Patent Collateral and the other Loan Collateral.
- 7. **POWER OF ATTORNEY:** Debtor hereby authorizes Secured Party as its true and lawful attorney in fact: (a) to execute and/or authenticate on its behalf, after Debtor's failure to so act after Secured Party's reasonable written request therefor, and/or file financing statements reflecting its security interest in the Patent Collateral and any other documents necessary or desirable to perfect or otherwise further the security interest granted herein, (b) to record the security interest in any and all Patent Collateral in favor of Secured Party with the United States

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Patent and Trademark Office (and each other applicable governmental authority), and (c) upon the occurrence of an Event of Default: (i) to file any claims or take any action or institute any proceedings that Secured Party may deem necessary or desirable for the collection of any of the Patent Collateral, (ii) to assign of record in the United States Patent and Trademark Office (and each other applicable governmental authority) any and all of the Patent Collateral in Secured Party's name (or the name of any nominee), or (iii) otherwise to enforce the rights of the Secured Party with respect to any of the Patent Collateral.

#### 8. **DEFAULT**:

- Upon the occurrence of an Event of Default, then, in any such event, Secured Party (a) may, at Secured Party's option and without further notice to Debtor, resort to the rights and remedies available at law, in equity and under the Security Agreement, including the rights and remedies of a secured party under the Uniform Commercial Code (whether or not the Uniform Commercial Code applies to the affected Patent Collateral) including (i) causing the assignment of record in the United States Patent and Trademark Office (or any other applicable governmental authority) of the Patent Collateral in Secured Party's name or in the name of any nominee of Secured Party; (ii) requiring Debtor to assemble all or any part of the documents embodying the Patent Collateral as directed by Secured Party and make the documents available to Secured Party at a place to be designated by Secured Party; (iii) licensing the Patent Collateral or any part thereof, or assigning its rights to the Patent License Rights to any Person and exercising any and all rights and remedies of the Secured Party under or in connection with the Patent Licenses or otherwise in respect of the Patent Collateral; and (iv) selling the Patent Collateral at public or private sale, and, after payment in full of all Obligations, Debtor will be credited with the net proceeds of such sale only when they are actually received by Secured Party, and any requirement of reasonable notice of any disposition of the Patent Collateral will be satisfied if such notice is sent to Debtor ten (10) days prior to such disposition. In the event of any sale, assignment, or other disposition of any of the Patent Collateral following the occurrence of such Event of Default, Debtor will supply to Secured Party or its designee Debtor's: (1) know-how and expertise relating to the manufacture and sale of products or the provision of services relating to any Patent Collateral subject to such disposition and (2) customer lists and other records relating to such Patent Collateral and to the distribution of such products and services. Further, upon the occurrence of an Event of Default, then, in any such event, Secured Party may, at Secured Party's option and without notice to Debtor, apply for and have a receiver appointed under state or federal law by a court of competent jurisdiction in any action taken by Secured Party to enforce its rights and remedies under this Agreement and, as applicable, the Security Agreement in order to: (A) manage, protect, preserve, and sell and otherwise dispose of all or any portion of the Patent Collateral, (B) continue the operation of the business of Debtor, and/or (C) collect all revenues and profits thereof and apply the same to the payment of all expenses and other charges of such receivership, including the compensation of the receiver, and to the payment of the Obligations until a sale or other disposition of such Patent Collateral is finally made and consummated.
- (b) No remedy set forth herein is exclusive of any other available remedy or remedies, but each is cumulative and in addition to every other remedy given under this Agreement, the Security Agreement or now or hereafter existing at law or in equity or by statute.

The Secured Party may proceed to protect and enforce its rights by an action at law, in equity or by any other appropriate proceedings. No failure on the part of the Secured Party to enforce any of the rights hereunder shall be deemed a waiver of such rights or of any Event of Default and no waiver of any Event of Default will be deemed to be a waiver of any subsequent Event of Default.

### 9. GENERAL PROVISIONS:

- (a) All rights of the Secured Party shall inure to the benefit of their successors, assigns and affiliates and all obligations of Debtor shall bind the successors and assigns of Debtor.
- (b) This Agreement, the Security Agreement and the Note and the other Transaction Documents contain the entire agreement of the parties with respect to the subject matter of this Agreement and supersede all previous understandings and agreements relating to the subject matter hereof, and no oral agreement whatsoever, whether made contemporaneously herewith or hereafter shall amend, modify or otherwise affect the terms of this Agreement. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. This Agreement may be signed by facsimile signatures or other electronic delivery of an image file reflecting the execution hereof, and, if so signed: (i) may be relied on by each party as if the document were a manually signed original and (ii) will be binding on each party for all purposes.
- (c) All rights and liabilities hereunder shall be governed and limited by and construed in accordance with the local laws of the State of Ohio (without regard to Ohio conflicts of law principles) except to the extent of the application of other laws of mandatory application.
- (d) If any provision of this Agreement is found invalid by a court of competent jurisdiction, the invalid term will be considered excluded from this Agreement and will not invalidate the remaining provisions of this Agreement.
- Debtor hereby irrevocably authorizes Secured Party to file with the United States (e) Patent and Trademark Office a copy of this Agreement and any amendments thereto or any document which may be required by the United States Patent and Trademark Office. Debtor also hereby irrevocably authorizes Secured Party at any time and from time to time to file in any filing office in any jurisdiction any initial financing statements and amendments thereto that: (i) describe the Patent Collateral and (ii) provide any other information required by Part 5 of Article 9 of the Uniform Commercial Code for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Debtor is an organization, the type of organization and any organizational identification number issued to Debtor. Debtor hereby irrevocably authorizes Secured Party at any time and from time to time to correct or complete, or to cause to be corrected or completed, any financing statements, continuation statements or other such documents as have been filed naming Debtor as debtor and Secured Party as secured party. Secured Party is hereby authorized to give notice to any licensor or licensee of any Patent Collateral or any other Person as may be necessary or desirable under applicable laws to evidence, protect, perfect, or enforce the security interest granted to Secured Party in the Patent Collateral.

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- (f) The definition of any document, instrument or agreement includes all schedules, attachments and exhibits thereto and all renewals, extensions, supplements, restatements and amendments thereof. All schedules, exhibits or other attachments to this Agreement are incorporated into, and are made and form an integral part of, this Agreement for all purposes. As used in this Agreement, "hereunder," "herein," "hereto," "this Agreement" and words of similar import refer to this entire document; "including" is used by way of illustration and not by way of limitation, unless the context clearly indicates the contrary; the singular includes the plural and conversely; and any action required to be taken by Debtor is to be taken promptly, unless the context clearly indicates the contrary. The description of the Patent Collateral in this Agreement does not in any way limit the description of, or Secured Party's Lien on, the "Collateral" as defined in the Security Agreement or the Secured Party' rights or remedies respecting the "Collateral."
- (g) THE SECURED PARTY AND DEBTOR HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.
- (h) The remedies provided in this Agreement, the Security Agreement, the Note and the other Transaction Documents are cumulative and not exclusive of any remedies provided by law.
- (i) This Agreement will terminate ("<u>Termination</u>") immediately on the 91<sup>st</sup> day after the full performance, payment and satisfaction of the obligations under the Note. Upon such Termination, the Liens on the Patent Collateral granted hereunder shall automatically be released without further action of Secured Party, and Secured Party shall, upon Debtor's request, execute and deliver to Debtor proper documentation acknowledging such release and shall deliver UCC termination statements with respect to its Liens on the Patent Collateral.

[Signature Page Follows]

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IN WITNESS WHEREOF, Secured Party and Debtor, intending to be legally bound, have executed and delivered this Agreement by their duly authorized officers as of the Effective Date.

S MOBILE SYSTEMS, INC., an Ohio corporation

Name: Neil Sherman

Title: Director and Member of Independent Committee of the Board of Directors

SECURED PARTY:

R.H. Book, LLC

Name: Robert H. Book

Title: President

SIGNATURE PAGE TO PATENT SECURITY AGREEMENT

IN WITNESS WHEREOF, Secured Party and Debtor, intending to be legally bound, have executed and delivered this Agreement by their duly authorized officers as of the Effective Date.

S MOBILE SYSTEMS, INC., an Ohio corporation

Name: Neil Sherman

Title: Director and Member of Independent Committee of the Board of Directors

SECURED PARTY:

R.H. Book, LLQ

Name: Robert H. Book

Title: President

SIGNATURE PAGE TO PATENT SECURITY AGREEMENT

## SCHEDULE I

### PATENTS

# Patent Applications:

Serial #	Filing Date	Title
11/697,647	04/06/07	Malware Detection System and Method for Mobile Platforms
11/697,664	04/06/07	System and method for managing malware protection on mobile devices
11/697,642	04/06/07	Malware Modeling Detection System and Method for Mobile Platforms
11/697,668	04/06/07	Non-Signature Malware Detection System and Method for Mobile Platforms
11/697,658	04/06/07	Malware Detection System and Method for Compressed Data on Mobile Platforms
11/869,719	10/09/07	System and Method of Malware Sample Collection on Mobile Networks
11/869,729	10/09/07	System and Method of Reporting and Visualizing Malware on Mobile Networks
11/946,003	11/27/07	Wireless Intrusion Prevention System and Method
12/029,451	2/1 1/08	Off-line MMS Malware Scanning System and Method
61/167,483	04/07/09	Parental Control System

## Registered Patents:

None.

# Patent Licenses

None.

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**PATENT** REEL: 024239 FRAME: 0906

**RECORDED: 04/15/2010**