

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
M-Dot, Inc.	02/10/2011
RECEIVING PARTY DATA	
Name:	Inmar, Inc.
Street Address:	2601 Pilgrim Court
City:	Winston-Salem
State/Country:	NORTH CAROLINA
Postal Code:	27106
PROPERTY NUMBERS Total: 2	
Property Type	Number
Application Number:	12783666
Application Number:	12783762
CORRESPONDENCE DATA	
Fax Number:	(412)562-1041
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	412-562-1622
Email:	vicki.cremonese@bipc.com
Correspondent Name:	Duane A. Stewart III
Address Line 1:	301 Grant Street
Address Line 2:	20th Floor
Address Line 4:	Pittsburgh, PENNSYLVANIA 15219
ATTORNEY DOCKET NUMBER:	0078693-000002
NAME OF SUBMITTER:	Duane A. Stewart III
Total Attachments: 7 source=inmar-m-dot security agreement#page1.tif source=inmar-m-dot security agreement#page2.tif	

CH \$80.00 12783666

501447647

PATENT
REEL: 025841 FRAME: 0884

source=inmar-m-dot security agreement#page3.tif
source=inmar-m-dot security agreement#page4.tif
source=inmar-m-dot security agreement#page5.tif
source=inmar-m-dot security agreement#page6.tif
source=inmar-m-dot security agreement#page7.tif

SECURITY AGREEMENT

This M-Dot, Inc. Security Agreement (this "Agreement") is made as of February 10, 2011 by and between M-Dot, Inc., a Pennsylvania corporation (the "Debtor"), in favor of Inmar, Inc. ("Secured Party"), with reference to the following facts:

RECITALS

The Debtor and the Secured Party are parties to that certain Secured Promissory Note, dated as of February 10, 2011 (the "Note"). The Debtor and Secured Party intend that Debtor's obligations to repay the Note are to be secured by all of the Debtor's assets and after-acquired property of any kind, all according to the terms and conditions of this Agreement.

AGREEMENT

In consideration of the purchase of the Note by the Secured Party and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby agrees with the Secured Party as follows:

1. **Grant of Security Interest.** To secure the Debtor's full and timely performance of all of the Debtor's obligations and liabilities to the Secured Party pursuant to the Note (collectively, the "Obligations"), the Debtor hereby grants to the Secured Party a security interest in all of the Debtor's right, title, and interest in and to all of its assets, including, but not limited to patents, copyrights, trademarks, software, inventory, equipment and intangibles of any nature, now or hereafter owned or acquired by Debtor and/or its subsidiaries whether now owned, or later acquired, arising of every kind and nature including but in no way limited to all of the Debtor's assets, patents (and patents pending), inventories, finished goods and supplies, contract rights, accounts receivable, and all tangible and intangible assets now owned or later acquired and all proceeds and products from all collateral covered by this Agreement whether or not purchased with loan proceeds located at Debtor's address or elsewhere, and any other real and/or personal property owned by the Debtor, together with all substitutions, replacements, additions, and accessions thereto (hereinafter referred to as "Collateral"), (the "Security Interest").

2. **Representations and Warranties.** The Debtor hereby represents and warrants to the Secured Party that:

(a) **Ownership of Collateral.** Except for certain pre-existing secured debt (approximately _____) and the security interests granted herein, Debtor's title to the Collateral is free from any prior liens or security interests and is not subject to any other liens or security agreements.

(b) **Valid Security Interest.** The Security Interest granted pursuant to this Agreement will constitute a valid and continuing perfected security interest in favor of the Secured Party in the Collateral for which perfection is governed by the Uniform Commercial Code, as the same may be in effect in the State of Pennsylvania (the "UCC") or filing with the United States Copyright Office or United States Patent and Trademark Office.

(c) **Organization and Good Standing.** The Debtor has been duly organized, and is validly existing and in good standing, under the laws of the State of Pennsylvania.

WML
DM

3. **Covenants.** The Debtor covenants with Secured Party as follows:

(a) **Further Documentation.** The Debtor agrees to cooperate with the Secured Party in connection with any filings reasonably necessary to perfect the Secured Party's rights granted herein. At any time and from time to time, upon the written request of the Secured Party, and at the sole expense of the Debtor, the Debtor will promptly and duly authenticate and deliver such further instruments and documents and take such further action as the Secured Party may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, filing any financing or continuation statements under the UCC in effect with respect to the liens created herein. The Debtor also hereby authorizes the Secured Party to file any such financing or continuation statement without the authentication of the Debtor to the extent permitted by applicable law. A reproduction of this Agreement shall be sufficient as a financing statement (or as an exhibit to a financing statement on form UCC-1) for filing in any jurisdiction.

(b) **Compliance with Laws, etc.** The Debtor will comply in all material respects with all laws, rules, regulations, and orders of any governmental authority applicable to any part of the Collateral or to the operation of the Debtor's business; *provided, however*, that the Debtor may contest any such law, rule, regulation, or order in any reasonable manner which does not, in the reasonable opinion of the Debtor, adversely affect the Secured Party's rights or the priority of its liens on the Collateral.

(c) **Limitation on Liens on Collateral.** The Debtor will defend the right, title, and interest of the Secured Party in and to any of the Collateral against the claims and demands of all other persons.

(d) **Limitations on Dispositions of Collateral.** The Debtor will not sell, transfer, lease, license, or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so.

(e) **Notice of Change of State of Organization.** The Debtor will provide written notice to Secured Party at least fifteen (15) days prior to a change of the Debtor's state of organization.

4. **Event of Default.** For purposes of this Agreement, the occurrence of any one of the following events (each, an "**Event of Default**") shall constitute a default hereunder and under the Note:

(a) The Debtor's failure to pay or discharge the Obligations in full and in a timely manner in accordance with the terms of the Note;

(b) A material breach of a covenant, representation, or warranty made by the Debtor under this Agreement as of the date thereof that remains uncured after a reasonable opportunity to cure; or

(c) The execution by the Debtor of a general assignment for the benefit of creditors, the filing by or against the Debtor of a petition in bankruptcy or any petition for relief under the federal bankruptcy act or the continuation of such petition without dismissal for a period of ninety (90) days or more, or the appointment of a receiver or trustee to take possession of the property or assets of the Debtor.

W/M
D/M

5. **Remedies.** In the event of a default hereunder, Secured Party shall have all remedies provided by law, including but not limited to the all remedies provided by Chapters 91-97 of Title 13 of the Pennsylvania Code.

6. **Waivers.** No waiver or modification by either party hereto (each a "Party," and together, the "Parties") of any of the terms or conditions of this Agreement shall be effective unless in writing signed by the other Party. No waiver or indulgence by Secured Party as to any required performance or of any default by Debtor shall constitute a waiver as to any subsequent required performance, default or other obligation of Debtor.

7. **Termination of Security Interest.** Upon satisfaction of the Obligations pursuant to the Note, the security interest granted herein shall automatically terminate and all rights to the Collateral shall revert to the Debtor. Upon any such termination, the Secured Party shall authenticate and deliver to the Debtor such documents as the Debtor may reasonably request to evidence such termination.

8. **Miscellaneous.**

(a) **Amendments and Waivers.** Any term of this Agreement may be amended with the written consent of the Parties or their respective successors and assigns. Any amendment or waiver effected in accordance with this Section 8(a) shall be binding upon the Parties and their respective successors and assigns.

(b) **Transfer; Successors, and Assigns.** The terms and conditions of this Agreement shall be binding upon the Debtor and its successors and assigns, as well as all persons who become bound as a debtor to this Agreement and inure to the benefit of the Secured Party and its successors and assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Party other than the Parties or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(c) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the Parties shall be governed, construed, and interpreted in accordance with the laws of the State of Pennsylvania, without giving effect to principles of conflicts of law.

(d) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(e) **Titles and Subtitles.** The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(f) **Notices.** Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (i) the business day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (ii) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

If to the Debtor: Mr. Bill Catania
CEO - M-Dot, Inc.
130 West 8th Street
Erie, Pennsylvania 16501

WMC
TAM

If to the Secured Party: Mr. Drew M. Dixon
Chief Financial Officer - Inmar, Inc.
2601 Pilgrim Court
Winston-Salem, NC 27106

(g) Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the Parties agree to renegotiate such provision in good faith, in order to maintain the economic position enjoyed by each Party as close as possible to that under the provision rendered unenforceable. In the event that the Parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded, and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(h) Entire Agreement. This Agreement, and the documents referred to herein constitute the entire agreement between the Parties pertaining to the subject matter hereof, and any and all other written or oral agreements existing between the Parties concerning such subject matter are expressly canceled.

(i) Amendments and Waivers. Any term of this Agreement may be amended with the written consent of the Parties or their respective successors and assigns. Any amendment or waiver effected in accordance with this Section 8(i) shall be binding upon the Parties and their respective successors and assigns.

WMD
DMD

The Debtor and Secured Party have caused this M-Dot, Inc. Security Agreement to be duly executed and delivered as of the date first above written.

"DEBTOR:"

M-DOT, INC.,
a Pennsylvania corporation

By: 

CEO

Its: _____

Address: 130 West 8th Street
Erie, Pennsylvania 16501

"SECURED PARTY:"

INMAR, INC.,
a North Carolina corporation

By: 

Its: EVP / CFO

Address: 2601 Pilgrim Court
Winston-Salem, NC 27106