

PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

ASSIGNMENT

CONVEYING PARTY DATA

Name	Execution Date
Zenph Sound Innovations, Inc.	10/05/2011

RECEIVING PARTY DATA

Name:	Intersouth Partners VII, L.P., as Lender Representative
Street Address:	406 Blackwell Street, Suite 200
City:	Durham
State/Country:	NORTH CAROLINA
Postal Code:	27701

Name:	Intersouth Partners VII, L.P.,
Street Address:	406 Blackwell Street, Suite 200
City:	Durham
State/Country:	NORTH CAROLINA
Postal Code:	27701

Name:	Elliot G. Bosson
Street Address:	266 Perfect Moment Drive
City:	Durham
State/Country:	NORTH CAROLINA
Postal Code:	27713

Name:	Brian M. Cook
Street Address:	38 Morning Glory Court
Internal Address:	P O Box 161491
City:	Big Sky
State/Country:	MONTANA
Postal Code:	59716

PROPERTY NUMBERS Total: 7

PATENT

501688752

REEL: 027050 FRAME: 0370

OP \$280.00 7598447

Property Type	Number
Patent Number:	7598447
Patent Number:	8008566
Application Number:	12407860
Patent Number:	5908996
Patent Number:	6107559
Patent Number:	6166314
Patent Number:	5952597

CORRESPONDENCE DATA

Fax Number: (919)781-4865

Phone: 919-781-4000

Email: lbailey@wyrick.com

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Correspondent Name: Lynette M. Bailey

Address Line 1: 4101 Lake Boone Trail, Suite 300

Address Line 4: Raleigh, NORTH CAROLINA 27607

ATTORNEY DOCKET NUMBER:

19195.20

NAME OF SUBMITTER:

Lynette M. Bailey

Total Attachments: 9

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (the “**Agreement**”), dated as of October 5, 2011, is hereby entered into by and among Zenph Sound Innovations, Inc., a Delaware corporation (the “**Borrower**”), the lenders set forth on **Schedule I** and **Schedule II** to that certain Note and Warrant Purchase Agreement dated as of even date herewith (the “**Purchase Agreement**”) (each, a “**Lender**” and sometimes collectively referred to herein as the “**Lenders**”), and Intersouth Partners VII, L.P., as the representative of the Lenders (the “**Lender Representative**”).

RECITALS:

WHEREAS, the Lenders will make loans to Borrower (collectively, the “**Loan**”), which Loan shall be evidenced by Convertible Promissory Notes (the “**Notes**”) issued on or after the date hereof pursuant to the Purchase Agreement between the Lenders and the Borrower, but only if Borrower grants the Lenders a security interest in its copyrights, trademarks and patents and other collateral described in that certain Security Agreement between Borrower and the Lenders (the “**Collateral**”), executed in connection with the Loan and dated as of the date hereof (the “**Security Agreement**”); and

WHEREAS, Borrower has granted the Lenders a security interest in its presently existing or later acquired Collateral;

NOW, THEREFORE, for good and otherwise valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **Secured Obligations.** This Agreement is given to secure the due and punctual payment of the principal of and interest on the Notes issued pursuant to the Purchase Agreement and the due and punctual performance of all other obligations under the Loan Documents (as defined in the Security Agreement) now existing and hereafter arising, including future advances (and additional Notes issued pursuant to the Purchase Agreement in respect thereof) made pursuant to the Purchase Agreement, together with any extensions and renewals of the foregoing obligations and reasonable attorneys’ fees if collected by or through an attorney-at-law (collectively the “**Secured Obligations**”); provided, however, that “Secured Obligations” shall not include any obligations of Borrower to any Lender in its capacity, as a holder of any of Borrower’s capital stock.

2. **Security Interest.** As security for the due and punctual payment and performance by Borrower of the Secured Obligations, Borrower hereby grants the Lenders a security interest (which shall be subject and subordinate to the Permitted Liens, as defined in the Security Agreement) in all right, title and interest in its Intellectual Property (as defined below). As used herein, the term “**Intellectual Property**” shall include:

(a) All copyrights, trademarks, and patents of Borrower, including, without limitation, the copyrights, and patents, trademarks listed on **Schedule A** attached hereto, all

amendments, renewals, extensions relating thereto, and all licenses or other rights to use the foregoing and all license fees and royalties from such use;

(b) Any trade secrets and any intellectual property rights in computer software and computer software products now or later existing, created, acquired or held by Borrower;

(c) All design rights which may be available to Borrower now or later created, acquired or held by Borrower;

(d) Any claims for damages (past, present or future) for infringement of any of the rights above, with the right, but not the obligation, to sue and collect damages for use or infringement of the intellectual property rights above; and

(e) All proceeds and products of any of the foregoing, including any and all insurance, indemnity or warranty payments, license royalties, proceeds of infringement suits, the right to sue for past, present and future infringements rights throughout the world, and all re-issues, divisions continuations, renewals, extensions and continuations-in-part with respect to any of the foregoing.

3. Term of Agreement. Borrower acknowledges and agrees that the number and amount of the Secured Obligations may fluctuate from time to time hereafter. Borrower expressly agrees that this Agreement and the security interest in the Intellectual Property conveyed to the Lenders hereunder shall remain valid and in full force and effect, notwithstanding any such fluctuations and future payments. This Agreement shall terminate, and each Lender shall release its security interest in the Intellectual Property, only upon the earlier to occur of (a) the payment in full by or on behalf of Borrower of all of the then outstanding Notes issued pursuant to the Purchase Agreement and all other obligations of Borrower pursuant to any of the Loan Documents, or (b) the conversion of the full amounts then outstanding under the Notes into shares of the Company's capital stock pursuant to the terms of such Notes.

4. Security Agreement. This security interest is granted hereunder in conjunction with the security interest in the Collateral granted under the Security Agreement. The Lenders' rights and remedies in the Intellectual Property granted hereunder are in addition to those in the Purchase Agreement, the Security Agreement and other documents related thereto, and are in addition to those available at law or in equity. The Lenders' rights, powers and remedies herein are cumulative with every right, power or remedy provided in the Security Agreement. The Lenders' exercise of their rights, powers or remedies in this Agreement, the Purchase Agreement, the Security Agreement or any other documents related thereto does not preclude the simultaneous or later exercise of any or all other rights, powers or remedies.

5. Amendment; Waiver. This Agreement may be amended only in a writing signed by both Borrower and the Lender Representative, and any amendment so effected shall be binding upon each of the Lenders; provided, however, that any such amendment or waiver that disproportionately affects any of the holders of the then-outstanding Notes shall require the written consent of all such disproportionately affected holders. Notwithstanding anything to the contrary in this Section 5, the Borrower shall be entitled to include additional purchasers of Notes pursuant to the terms of the Purchase Agreement as Lenders party to this Agreement,

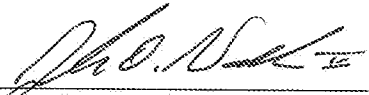
provided that such purchasers shall execute appropriate signature pages to this Agreement and other related agreements. No delay or failure on the part of any Lender in the exercise of any right, power or privilege under this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of such right, power or privilege shall preclude the further exercise of such right, power or privilege or the exercise of any other right, power or privilege. No waiver shall be valid against the Lenders unless made in writing and signed by the Lender Representative, and then only to the extent expressly specified therein. Borrower hereby waives presentment and notice of dishonor and protest of all instruments included or evidencing the liability of Borrower in respect to the Secured Obligations or the Collateral and any and all notices and demands whatsoever, whether or not relating to such instruments, except as otherwise provided in such instruments

[Signature pages follow.]

This Intellectual Property Security Agreement is hereby executed as of the year and date first above written.

BORROWER:

ZENPH SOUND INNOVATIONS, INC.

By: 
Name: John Q. Walker II
Title: CEO

LENDER REPRESENTATIVE:

INTERSOUTH PARTNERS VII, L.P.

By: Intersouth Associates VII, LLC
its General Partner

By: _____
Name: _____
Member, acting pursuant to Power of
Attorney

LENDERS:

INTERSOUTH PARTNERS VII, L.P.

By: Intersouth Associates VII, LLC
its General Partner

By: _____
Name: _____
Member, acting pursuant to Power of
Attorney

Address:

406 Blackwell Street
Suite 200
Durham, NC 27701

This Intellectual Property Security Agreement is hereby executed as of the year and date first above written.

BORROWER:

ZENPH SOUND INNOVATIONS, INC.

By: _____
Name: _____
Title: _____

LENDER REPRESENTATIVE:

INTERSOUTH PARTNERS VII, L.P.

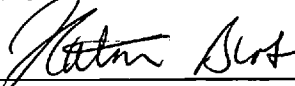
By: Intersouth Associates VII, LLC
its General Partner

By: 
Name: KATRIN BURT
Member, acting pursuant to Power of
Attorney

LENDERS:

INTERSOUTH PARTNERS VII, L.P.

By: Intersouth Associates VII, LLC
its General Partner

By: 
Name: KATRIN BURT
Member, acting pursuant to Power of
Attorney

Address:

406 Blackwell Street
Suite 200
Durham, NC 27701

This Intellectual Property Security Agreement is hereby executed as of the year and date first above written.

LENDERS:

ELLIOT G. BOSSEN



Elliot G. Bossen

Address:

266 Perfect Moment Drive
Durham, NC 27713

BRIAN M. COOK

Brian M. Cook

Address:

12 Lyndhurst Road
London NW3 5NL
England

This Intellectual Property Security Agreement is hereby executed as of the year
and date first above written.

LENDERS:

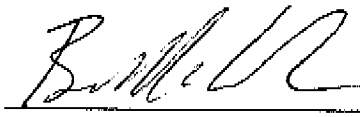
ELLIOT G. BOSSEN

Elliot G. Bossen

Address:

266 Perfect Moment Drive
Durham, NC 27713

BRIAN M. COOK



Brian M. Cook

Address:

~~12 Lyndhurst Road
London NW3 5NL
England~~

38 Morning Glory Court
PO Box 161491
Big Sky, MT 59716-1491

[SIGNATURE PAGE TO IP SECURITY AGREEMENT]

PATENT
REEL: 027050 FRAME: 0378

SCHEDULE A

INTELLECTUAL PROPERTY

Patents:

Title & Docket Name	Country/Origin	Date of Filing/ Issuance	Patent/ Application Number	Owned/Licensed
Methods, systems, and computer program products for detecting musical notes in an audio signal	US	10/6/09	(P) US – 7,598,447	Owned
Methods, systems, and computer program products for detecting musical notes in an audio signal	US	8/30/11	(P) US – 8,008,566	Owned
Methods, systems, and computer program products for detecting musical notes in an audio signal	Canada	9/27/05	2585467	Owned
Methods, systems, and computer program products for detecting musical notes in an audio signal	European Patent Convention	9/27/05	05807553.2	Owned
Methods, systems, and computer program products for detecting musical notes in an audio signal	Japan	9/27/05	2007538927	Owned
Methods, systems, and computer program products for regenerating audio performances	US	3/20/09	US –12/407,860 Notice of allowance received	Owned
Device for Controlling A Musical Performance (Timewarp)	US	6/1/99	(P) US – 5,908,996	Owned
Method and Apparatus for Real-Time Correlation of a Performance To a Musical Score (Timewarp)	US	9/14/99	(P) US – 5,952,597	Owned
Method and Apparatus for Real-Time Correlation of a Performance To a Musical Score (Timewarp)	US	8/22/00	(P) US – 6,107,559	Owned
Method and Apparatus for Real-Time Correlation of a Performance To a Musical Score (Timewarp)	US	12/6/00	(P) US – 6,166,314	Owned

(P) denotes patent

Trademarks:

RE-PERFORMANCE

UNITED STATES REGISTERED	ZEN.21002 09 10/30/2013	4/19/2006 <i>AFFIDAVIT OF USE</i>	78/864,640	10/30/2007 3,327,669
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ZENPH

AUSTRALIA	ZEN.21003AUSM 1/19/2013	1/19/2007 <i>PROOF OF USE</i>	915132	1/19/2007 1167709	REGISTERED
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CANADA	ZEN.21003CAN 3/6/2014	1/12/2007 <i>PROOF OF USE</i>	1,331,228	3/6/2008 709005	REGISTERED
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CHINA	ZEN.21003CNM	1/19/2007	915132	1/19/2007 915132	REGISTERED
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EUROPEAN UNION	ZEN.21003EUM 1/19/2012	1/19/2007 <i>PROOF OF USE</i>	915132	1/19/2007 915132	REGISTERED
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JAPAN	ZEN.21003JPNM	1/19/2007	915132	1/19/2007 915132	REGISTERED
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SOUTH KOREA	ZEN.21003KRM	1/19/2007	915132	1/19/2007 915132	REGISTERED
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UNITED STATES	ZEN.21001 11/21/2012	3/18/2005 <i>AFFIDAVIT OF USE</i>	78/590,823	11/21/2006 3,175,284	REGISTERED
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UNITED STATES	ZEN.21003 3/4/2014	1/8/2007 <i>AFFIDAVIT OF USE</i>	77/078,270	3/4/2008 3,392,543	REGISTERED
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WIPO	ZEN.21003WIPO 1/19/2012	1/19/2007 <i>DEPENDENCY PRD ENDS</i>	915132	REGISTERED09
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