

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT																
NATURE OF CONVEYANCE:	Intellectual Property Security Agreement																
CONVEYING PARTY DATA																	
<table border="1"> <thead> <tr> <th>Name</th> <th>Execution Date</th> </tr> </thead> <tbody> <tr> <td>POWERWEB, INC.</td> <td>01/30/2012</td> </tr> <tr> <td>POWERWEB TECHNOLOGIES, INC. d/b/a POWERWEB TECHNOLOGIES</td> <td>01/30/2012</td> </tr> </tbody> </table>		Name	Execution Date	POWERWEB, INC.	01/30/2012	POWERWEB TECHNOLOGIES, INC. d/b/a POWERWEB TECHNOLOGIES	01/30/2012										
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POWERWEB TECHNOLOGIES, INC. d/b/a POWERWEB TECHNOLOGIES	01/30/2012																
RECEIVING PARTY DATA																	
Name:	Nicholas KARALIS																
Street Address:	776 Parkes Run Ln																
City:	Villanova																
State/Country:	PENNSYLVANIA																
Postal Code:	19085-1123																
PROPERTY NUMBERS Total: 7																	
<table border="1"> <thead> <tr> <th>Property Type</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Patent Number:</td> <td>D645194</td> </tr> <tr> <td>Patent Number:</td> <td>7788189</td> </tr> <tr> <td>Patent Number:</td> <td>7167777</td> </tr> <tr> <td>Patent Number:</td> <td>7346433</td> </tr> <tr> <td>Patent Number:</td> <td>6904385</td> </tr> <tr> <td>Patent Number:</td> <td>6311105</td> </tr> <tr> <td>Patent Number:</td> <td>6122603</td> </tr> </tbody> </table>		Property Type	Number	Patent Number:	D645194	Patent Number:	7788189	Patent Number:	7167777	Patent Number:	7346433	Patent Number:	6904385	Patent Number:	6311105	Patent Number:	6122603
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CORRESPONDENCE DATA																	
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OP \$280.00 D645194

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ATTORNEY DOCKET NUMBER:

135632.2

NAME OF SUBMITTER:

James M. Singer

Total Attachments: 12

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Security Agreement") is made effective as of the 30th day of January, 2012 by and between POWERWEB, INC., a New Jersey corporation and POWERWEB TECHNOLOGIES, INC., a New Jersey corporation D/B/A POWERWEB TECHNOLOGIES (collectively, the "Assignor"), and NICHOLAS KARALIS ("Lender").

BACKGROUND

A. In accordance with the terms of that certain Promissory Note in the amount of \$200,000 dated December 17, 2001 and amended on April 1, 2010 (as the same may be further amended, modified, supplemented, extended and/or renewed, the "Note") by and between Assignor and the Lender, Lender agreed to extend certain credit facilities to Assignor.

B. As collateral security for the Note, Assignor will grant to Lender a security interest in all of Assignor's general intangibles, including, without limitation, its patents, patent rights, patent applications, servicemarks, trademarks, servicemark and trademark applications, tradenames, goodwill, copyrights and licenses.

NOW THEREFORE, in consideration of the promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees as follows:

1. **Incorporation of Note.** The Note and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

2. **Security Interest.**

(a) **Security Interest in Patents, Copyrights and Licenses.** To secure the complete and timely payment and satisfaction of the Note, Assignor hereby collaterally assigns, mortgages, pledges and grants to Lender, for the benefit of Lender, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent permitted by law, all of Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed (collectively, with items named in **Section 2(b)** below, the "Collateral"):

(i) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents and patent applications listed on **Exhibit "A"**, attached hereto and made a part hereof, and (A) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (C) the right to sue for past, present and future infringements thereof, and (D) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (A)-(D), are sometimes hereinafter individually and/or collectively referred to as the "Patents");

(ii) copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by Assignor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, copyrights registrations and copyrights applications listed on Exhibit "B" attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (C) the right to sue for past, present and future infringements thereof (all of the foregoing items are sometimes referred to herein collectively as the "**Copyrights**"); and

(iii) license agreements with any other party, whether Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit "C" attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale all inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the "**Licenses**").

(b) **Security Interest in Trademarks.** To secure the complete and timely payment and satisfaction of the Note, Assignor hereby mortgages, pledges and grants to Lender, for the benefit of Lender, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent permitted by law, all of Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed: servicemarks, trademarks, servicemark and trademark registrations, tradenames, servicemark and trademark applications, and all goodwill attendant thereto, including, without limitation, the servicemarks, trademarks and applications listed on Exhibit "D", attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including without limitation, damages and payments for past or future infringements thereof, (C) the right to sue for past, present and future infringements thereof, and (D) all rights corresponding thereto throughout the world (all of the foregoing servicemarks, trademarks, servicemark and trademark registrations, servicemark and tradenames and applications together with the items described in clauses (A)-(D), are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**").

3. **Restrictions on Future Agreements.** Assignor agrees that until the Note shall have been satisfied in full and the Note shall have been terminated, Assignor will not, without Lender's prior written consent, enter into any agreement (including, without limitation, any license or royalty agreement) which is inconsistent with Assignor's obligations under this Security Agreement or the Note, and Assignor further agrees that it will not take any action, or permit any action to be taken by

others, subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights of Lender under this Security Agreement.

4. **New Patents, Trademarks, and Licenses.** Assignor represents and warrants that the Patents, Copyrights, Licenses and Trademarks listed on **Exhibits "A", "B", "C" and "D"**, respectively, constitute all of the patents, copyrights, licenses, trademarks and applications now owned by Assignor. If, before the Note shall have been satisfied in full and the Note shall have been terminated, Assignor shall (a) obtain rights to any new patentable inventions, trademarks, servicemarks, trademark registrations, tradenames, copyrights or licenses, or (b) become entitled to the benefit of any patent or trademark or copyright application, trademark, trademark registration, servicemark, tradename, copyright or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of **Section 2** above shall automatically apply thereto and Assignor shall give to Lender prompt written notice thereof. Assignor hereby authorizes Lender to modify this Security Agreement by amending **Exhibit "A", "B", "C" and/or "D"**, as applicable, to include any future patents, patent applications, trademarks, trademark registrations, servicemarks, trademark applications, tradenames, copyrights and licenses which are Patents, Copyrights, Licenses or Trademarks, as applicable, under **Section 2** above or under this **Paragraph 4**. Assignor hereby agrees to provide to Lender such assignment or other documentation as Lender may request to record Lender's lien on such future Patents, Copyrights, Licenses or Trademarks.

5. **Royalties; Term.** Assignor hereby agrees that the use by Lender of all Patents, Copyrights, Licenses and Trademarks as described herein shall be worldwide and without any liability for royalties or other related charges from Lender to Assignor. The term of the security interest granted herein shall extend until the earlier of (a) the expiration of each of the respective Patents, Copyrights, Licenses and Trademarks assigned hereunder, or (b) the date on which the Note has been paid in full and the Note is terminated.

6. **Lender 's Right to Inspect.** Lender shall have the right, at any time and from time to time, to inspect Assignor's premises and to examine Assignor's books, records and operations, including, without limitation, Assignor's quality control processes. Assignor agrees that Lender, or a conservator appointed by Lender, shall have the right to establish such additional product quality controls as Lender, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Assignor under the Trademarks. Assignor agrees (a) not to sell or assign its interest in, or grant any license under, the Patents, Copyrights, Licenses or Trademarks, without the prior written consent of Lender; (b) to maintain the quality of any and all products in connection with which the Trademarks and/or Copyrights are used, consistent with quality of said products as of the date hereof; (c) not to adversely change the quality of said products without Lender's express written consent; and (d) to provide Lender, upon request, with a certificate of an officer of Assignor certifying Assignor's compliance with the foregoing.

7. **Termination.** This Security Agreement is made for collateral purposes only. Upon payment in full of the Note and termination of the Note, Lender shall execute and deliver to Assignor a termination of Lender's security interest granted herein and all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Patents, Copyrights, Licenses and Trademarks, subject to any disposition thereof which may have been made by Lender pursuant hereto.

8. **Duties of Assignor.** Assignor shall have the duty (a) to prosecute diligently any patent, trademark and copyright application pending as of the date hereof or thereafter until the Note shall have been paid in full and the Note is terminated, (b) to make application on unpatented but patentable inventions and on trademarks and copyrights, as appropriate, and (c) to preserve and maintain all rights in patent applications and patents of the Patents, in trademark applications, trademarks and trademark registrations of the Trademarks and in copyright applications and copyrights of the Copyrights. Any expenses incurred in connection with such applications shall be borne by Assignor. Assignor will not abandon any right to file a patent, trademark or copyright application, or any pending patent, trademark or copyright application or any Patent, Trademark, License or Copyright without the prior consent of the Lender.

9. **Event of Default.** Upon the occurrence of an Event of Default, Lender may, without further notice to or consent of Assignor, and in addition to all other rights and remedies available to Lender, immediately record all assignments previously executed and delivered to Lender by Assignor and/or execute and record with all applicable offices (including, without limitation, the Patent and Trademark Office) an absolute assignment to Lender by Assignor of all rights, title and interest of Assignor, in and to the Collateral. Assignor hereby authorizes and agrees that Lender may, through the power of attorney granted in **Section 14** hereof, upon the occurrence of an Event of Default irrevocably execute and deliver in Assignor's name any and all such assignments and agreements and to take any and all other actions in Assignor's name as Lender shall deem reasonable or appropriate to transfer and convey all right, title and interest of Assignor in and to the Collateral to Lender or any other person or entity selected by Lender.

10. **Lender's Right to Sue.** Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Licenses, Patents, Copyrights and/or Trademarks, and any licenses thereunder, and, if Lender shall commence any such suit, Assignor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this **Section 10**.

11. **Waivers.** No course of dealing between Assignor, Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Note shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. **Severability.** The provisions of this Security Agreement are severable, and if any clause or provision shall be invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

13. **Modification.** This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in **Section 4** hereof or by a writing signed by the parties hereto.

14. **Cumulative Remedies; Power of Attorney; Effect on Note.** All of Lender's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established

hereby or by the Note, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Assignor hereby authorizes Lender to make, constitute and appoint any officer or agent of Lender may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with power to (a) endorse Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Lender to protect, evidence or perfect its security interest in the Patents, Trademarks, Copyrights and Licenses, (b) upon the occurrence of an Event of Default, endorse Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Lender to enforce its security interest in the Patents, Trademarks, Copyrights and Licenses, (c) upon the occurrence of an Event of Default, take any other actions with respect to the Patents, Trademarks, Copyrights and/or Licenses as the Lender reasonably deems in the best interest of the Lender, (d) upon the occurrence of an Event of Default, grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to anyone, including Lender, and/or (e) upon the occurrence of an Event of Default, assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, Copyrights or Licenses to anyone, including Lender. Lender may also act under such power of attorney to take the actions referenced in **Section 4**. Lender hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Note shall have been paid in full and the Note shall have been terminated. Assignor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Note but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of this Security Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction.

15. **Binding Effect; Benefits.** This Security Agreement shall be binding upon Assignor and its successors and assigns, and shall inure to the benefit of Lender and its nominees, successors and assigns.


16. **Governing Law.** This Security Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflict of law principles.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]


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

ASSIGNOR

POWERWEB, INC.


By: 
Name: LOTHAR BUDIKE
Title: CEO

**POWERWEB TECHNOLOGIES, INC.
d/b/a POWERWEB TECHNOLOGIES**

By: 
Name: LOTHAR BUDIKE
Title: CEO

LENDER

NICHOLAS KARALIS

By: 
Name: Nicholas Karalis
Title: _____

COMMONWEALTH OF PENNSYLVANIA :
: ss:
COUNTY OF PHILADELPHIA :

On this 30th day of January, 2012, before me, a Notary Public, personally appeared **LOTHAR BUDIKE**, who acknowledged himself to be the duly acting **CEO** of **POWERWEB, INC.**, a New Jersey corporation, and that he, as such **CEO**, being duly authorized to do so, executed the foregoing Intellectual Property Security Agreement for the purposes therein contained by signing his/her name as such on behalf of the Assignor.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Nancy E. Zack

NOTARY PUBLIC PENNSYLVANIA
NOTARIAL SEAL
Nancy E. Zack, Notary Public
City of Philadelphia, Philadelphia County
My commission expires June 19, 2014

COMMONWEALTH OF PENNSYLVANIA :
: ss:
COUNTY OF PHILADELPHIA :

On this 30th day of January, 2012, before me, a Notary Public, personally appeared **LOTHAR BUDIKE**, who acknowledged himself to be the duly acting **CEO** of **POWERWEB TECHNOLOGIES, INC. d/b/a POWERWEB TECHNOLOGIES**, a New Jersey corporation, and that he, as such **CEO**, being duly authorized to do so, executed the foregoing Intellectual Property Security Agreement for the purposes therein contained by signing his/her name as such on behalf of the Assignor.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

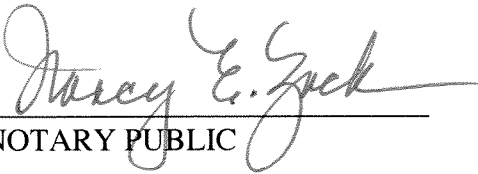
Nancy E. Zack
NOTARY PUBLIC

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Nancy E. Zack, Notary Public
City of Philadelphia, Philadelphia County
My commission expires June 19, 2014

COMMONWEALTH OF PENNSYLVANIA :
: ss.
COUNTY OF PHILADELPHIA :

On this 30th day of January, 2012, before me, a Notary Public for the Commonwealth of Pennsylvania, personally appeared **NICHOLAS KARALIS**, personally known to me or satisfactorily proven to be the party whose name is subscribed to the within instrument, and acknowledged that he executed same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



NOTARY PUBLIC

My commission expires:
COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Nancy E. Zack, Notary Public
City of Philadelphia, Philadelphia County
My commission expires June 19, 2014

EXHIBIT "A"

TO

POWERWEB, INC. AND
POWERWEB TECHNOLOGIES, INC. A/K/A
POWERWEB TECHNOLOGIES

INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patents

<u>Patent Number</u>	<u>Owner</u>	<u>Description</u>	<u>Application Number</u>
D645,194	Powerweb Technologies, Inc.	Light Fixture	D/342,765
7,788,189	Powerweb Technologies, Inc.	Multi-utility energy control and facility automation system with dashboard having a plurality of interface gateways	11/592,226
7,167,777	Powerweb Technologies	Wireless internet lighting control system	10/700,058
7,346,433	Powerweb, Inc.	Wireless internet power control system	11/165,044
6,904,385	Powerweb, Inc.	Multi-utility energy control system with internet energy platform having diverse energy-related engines	09/628,855
6,311,105	Powerweb, Inc.	Multi-utility energy control system	09/087,621
6,122,603	Powerweb, Inc.	Multi-utility energy control system with dashboard	09/095,730

EXHIBIT "B"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Copyrights

NONE

EXHIBIT "C"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Licenses

NONE

EXHIBIT "D"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademarks

NONE