

PATENT ASSIGNMENT

Electronic Version v1.1
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| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY AGREEMENT |
| CONVEYING PARTY DATA | |
| Name | Execution Date |
| Masood Habibi | 05/03/2012 |
| RECEIVING PARTY DATA | |
| Name: | Reza Mohammadi |
| Street Address: | 18429 St. Moritz Drive |
| City: | Tarzana |
| State/Country: | CALIFORNIA |
| Postal Code: | 91356 |
| PROPERTY NUMBERS Total: 1 | |
| Property Type | Number |
| Patent Number: | 6725495 |
| CORRESPONDENCE DATA | |
| Fax Number: | (805)230-1355 |
| Phone: | (805) 230-1350 |
| Email: | alomonaco@socalip.com |
| <i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i> | |
| Correspondent Name: | SoCal IP Law Group, Inc. |
| Address Line 1: | 310 N. Westlake Boulevard, Suite 120 |
| Address Line 4: | Westlake Village, CALIFORNIA 91362 |
| ATTORNEY DOCKET NUMBER: | M048-P12496 |
| NAME OF SUBMITTER: | Anneliese G. Lomonaco |
| Total Attachments: 5 source=Security Agreement for \$445k#page1.tif source=Security Agreement for \$445k#page2.tif source=Security Agreement for \$445k#page3.tif source=Security Agreement for \$445k#page4.tif source=Security Agreement for \$445k#page5.tif | |

OP \$40.00 6725495

SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement") is entered into as of May 3, 2012, by and between Masood Habibi, an individual ("Masood"), and Reza Mohammadi ("Secured Party") with reference to the following facts:

- A. Masood owes Secured Party \$445,000 in various loans that he has obtained from the Secured Party since December 2010 and its is evidenced by a Secured Promissory Note, dated May 3, 2012 ("Note"). These loans were made to Masood in addition to the loans that he received for the operation of Maxius, LLC and MaxiBrush, LLC.
- B. In order to secure payment of the obligations and performance of the repayment of these loans\terms of the Agreement, Masood desires to pledge, grant, transfer and assign to Secured Party a security interest in a patent known by United States Patent No. 6,725,495, dated April 27, 2004, hereinafter referred to as the ("Collateral").

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, the parties hereto mutually agree as follows:

1. DEFINITIONS AND CONSTRUCTIONS.

1.1 Definitions. The following term, as used in this Agreement, have the following meaning:

"Code" means the California Uniform Commercial Code, as amended and supplemented from time to time, and any successor statute.

1.2 Construction. Unless the context of this Agreement clearly requires otherwise, references to the plural include singular, references to the singular include the plural, and the term "including" is not limiting. The word "hereof," "herein," "hereby," "hereunder," and other similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement. Neither this Agreement nor any uncertainty or ambiguity herein shall be constructed or resolved against Secured Party or Masood, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by Masood, Secured Party and their respective counsel, and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of Secured Party and Masood.

2.0 GRANT OF SECURITY INTEREST.

Masood hereby grants to Secured Party a perfected security interest in all of Masood's right, title, and interest in and to the Collateral to secure the obligation.

3.0 REPRESENTATIONS, WARRANTIES AND COVENANTS.

Masood hereby represents, warrants and covenants that:

3.1 Validity; Enforceability. Masood's rights with respect to the Collateral are valid and enforceable, and Masood is not presently aware of any past, present, or prospective claim by any third

party that such patent is invalid or unenforceable, or that its use of such patent violates the rights of any third person, or of any basis for any such claims;

3.2 Title. Except as otherwise described in this Agreement, Masood is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the patents, free and clear of any liens, charges, and encumbrances, including pledges, assignments, licenses, shop rights, and covenant by Masood not to sue third person.

3.3 Perfection of Security Interest. Except for the filing of a financing statement with the Secretary of State of California and filings with the United States Patent and Trademark Office necessary to perfect the security interest created hereunder, no authorization, approval, or other such action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by Masood of the security interest hereunder or for the execution, delivery, or performance of this Agreement by Masood or for the perfection of or the exercise by Secured Party of its rights hereunder to the Collateral in the United States.

4. LITIGATION AND PROCEEDINGS.

Masood shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expenses, such suits, administrative proceedings, or other action for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Masood shall provide to Secured Party any information with respect thereto reasonably requested by Secured Party. Secured Party shall provide at Masood's expense all necessary cooperation in connection with any such suits, proceedings, or action, including, without limitation, joining as a necessary party. Following Masood's becoming aware thereof, Masood shall notify Secured Party of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, or any United States, state, or foreign court regarding each Masood's claim or ownership in the Collateral, its right to apply for the Collateral, or its right to keep and maintain its rights in Collateral.

5. POWER OF ATTORNEY.

Masood grants Secured Party power of attorney, having the full authority, and in the place of Masood and in the name of Masood, from time to time following an Event of Default in Secured Party's discretion, to take any action and to execute any instrument which Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement including, without limitation, as may be subject to the provisions of this Agreement: use or maintain the Collateral; to ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of the Collateral; 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 Collateral or otherwise to enforce Secured Party's rights with respect to the Collateral and to assign, pledge, convey, or otherwise transfer title in or dispose of the Collateral to any person.

6. EVENTS OF DEFAULT.

Any of the following events shall be an Event of Default:

6.1 Misrepresentation. Any representation or warranty made herein by Masood or in any

- document furnished to Secured Party by Masood under this Agreement is incorrect in any material respect when made or when affirmed; and
- 6.2 **Breach.** If Masood fails to observe or perform any covenants, condition, or agreement to be observed or performed pursuant to the terms hereof which materially and adversely affects Secured Party.

7. **SPECIFIC REMEDIES.**

During the continuance of any Event of Default, Secured Party shall have, in addition to, other rights given by law or in this Agreement, or in the Note, all of the rights and remedies with respect to the Collateral of a secured party under the Code, including the following:

7.1 **Sale.** Secured Party may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Secured Party deems advisable. Masood shall be credited with the net proceeds of such sale only when they are actually received by Secured Party, and Masood shall continue to be liable for any deficiency remaining after the Collateral is sold or collected. To the maximum extent permitted by applicable law, Secured Party may be purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the obligations as a credit on account of the purchase price of the Collateral payable by Secured Party at such sale.

8. **CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.**

THE VALIDITY OF THE AGREEMENT, ITS CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT, AND THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAWS PRINCIPLES. THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATE ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, OR, AT THE SOLE OPTION OF SECURED PARTY, IN ANY OTHER COURT IN WHICH SECURED PARTY SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. EACH OF MASOOD AND SECURED PARTY WAVES, TO THE EXTENT PERMITTED UNDER THE APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 8. MASOOD AND SECURED PARTY HEREBY WAVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE NOTE OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. MASOOD AND SECURED PARTY REPRESENT THAT EACH HAS REVIEWED THE WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

9. **TERMINATION BY THE SECURED PARTY.**

9.1 Payment of all Obligations. After payment of all obligations under the terms of the Note, Secured Party shall execute and deliver to Masood a termination of all of the security interest granted by Masood hereunder.

10. GENERAL PROVISIONS.

10.1 Effectiveness. This Agreement shall be binding and deemed effective when executed by Masood and Secured Party.

10.2 Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, however, that Masood may not assign this agreement or any rights or duties hereunder without Secured Party's prior written consent and any prohibited assignment shall be absolutely void. Secured Party may assign this Agreement and its rights and duties hereunder and no consent or approval by Masood is required in connection with any such assignment.

10.3 Section Headings. Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each section applies equally to this entire Agreement.

10.4 Interpretation. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Secured Party or Masood, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

10.5 Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for purpose of determining the legal enforceability of any specific provision.

10.6 Amendments in Writing. This Agreement can only be amended by a writing signed by both Secured Party and Masood.

10.7 Termination by the Secured Party. After payment of all obligations under the Note, Secured Party shall execute and deliver to Masood a termination of all of the security interest granted by Masood hereunder.

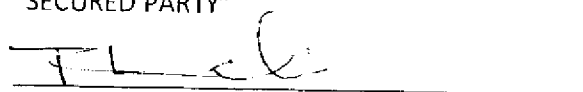
10.8 Integration. This Agreement, together with the Note, reflects the entire understanding of the parties with respect to the transaction contemplated hereby and shall not be controlled or qualified by any other agreement, oral or written, before the date hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Security Agreement as of the date first above written.

"MASOOD"



"SECURED PARTY"



Masood Habibi

Reza Mohammadi

STATE OF CALIFORNIA

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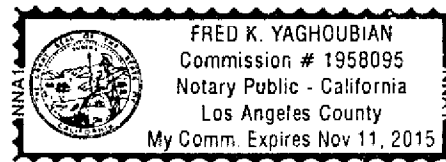
COUNTY OF LOS ANGELES

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On ^{MAY 2012} April 3, 2011, before me, FRED K. YAGHOUBIAN, a Notary Public, personally appeared Masood Habibi Max, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature F.K. YAGHOUBIAN

(Seal)

STATE OF CALIFORNIA

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) SS.

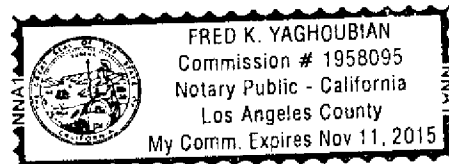
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WITNESS my hand and official seal.



Signature F.K. YAGHOUBIAN

(Seal)