

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT7860346

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Execution Date
BRIJJIT MEDICAL, INC.	02/16/2023

RECEIVING PARTY DATA

Name:	EMRGE, LLC
Street Address:	3044 NANCY CREEK ROAD, N.W.
City:	ATLANTA
State/Country:	GEORGIA
Postal Code:	30327

PROPERTY NUMBERS Total: 20

Property Type	Number
Patent Number:	10327774
Patent Number:	11298133
Application Number:	17713500
Patent Number:	10092455
Patent Number:	11229555
Application Number:	17579836
Patent Number:	10094401
Patent Number:	11067107
Application Number:	17375495
Patent Number:	11051815
Application Number:	17354199
Patent Number:	D876641
Patent Number:	D936846
Application Number:	29814967
Patent Number:	D862695
Application Number:	29704316
Patent Number:	11246595
Application Number:	17766920
Application Number:	29766256
Application Number:	63330838

PATENT

CORRESPONDENCE DATA**Fax Number:** (704)945-6735*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.***Phone:** 704-945-6700**Email:** docket@apwlaw.us**Correspondent Name:** ADDITON, PENDLETON, & WITHERSPOON, P.A.**Address Line 1:** PO BOX 567**Address Line 4:** MONROE, NORTH CAROLINA 28111-0567**ATTORNEY DOCKET NUMBER:** 3592.001**NAME OF SUBMITTER:** JOHN C. NIPP**SIGNATURE:** /john c. nipp/**DATE SIGNED:** 03/22/2023**Total Attachments: 42**

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SECURITY AGREEMENT

This Security Agreement (as it may be amended, restated, supplemented, or otherwise modified from time to time, this “**Security Agreement**”) is entered into as of February 16, 2023 by and between Brijjit Medical, Inc., a Delaware corporation (“**Borrower**”) and Emrge, LLC, a Georgia limited Liability company (the “**Lender**”).

Background

A. Borrower and the Lender have entered into an Intellectual Property Purchase and Sale Agreement dated as of January 31, 2023 (as it may be amended, restated, supplemented, or otherwise modified from time to time, the “**Purchase Agreement**”).

B. Borrower is entering into this Security Agreement in order to induce the Lender to sell various assets pursuant to the Purchase Agreement and to secure the “**Obligations**” as such term is defined in the Purchase Agreement (the “**Obligations**”).

C. Borrower and the Lender hereby agree as follows.

1. **Definitions.**

1.1. Terms Defined in Purchase Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Purchase Agreement.

1.2. Terms Defined in UCC. Terms defined in the UCC which are not otherwise defined in this Security Agreement are used herein as defined in the UCC.

1.3. Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the first paragraph hereof and in Background, the following terms shall have the following meanings.

1.3.1 “**Accounts**” shall have the meaning set forth in Section 9 of the UCC.

1.3.2 “**Account Debtor**” means any Person obligated on an account.

1.3.3 “**Applicable IP Office**” means the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency within or, solely in the case of Section 4.7, outside the United States.

1.3.4 “**Chattel Paper**” shall have the meaning set forth in Section 9 of the UCC.

1.3.5 “**Closing Date**” means the date of the Purchase Agreement.

1.3.6 “**Collateral**” shall have the meaning set forth in Section 2.

1.3.7 “**Commercial Tort Claims**” means the commercial tort claims as defined in Section 9 of the UCC, including each commercial tort claim specifically described on **Exhibit I**.

1.3.8 “**Confirmatory Grant**” shall have the meaning set forth in Section 3.10.2.

1.3.9 “**Control**” shall have the meaning set forth in Section 9-104, 9-105, 9-106, or 9-107 of Article 9 of the UCC.

1.3.10 “**Copyrights**” means all rights, title, and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to copyrights and all mask works, database, and design rights, whether or not registered or published, all registrations and recordings thereof and all applications in connection therewith.

1.3.11 “**Default**” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

1.3.12 “**Deposit Account Control Agreement**” means an agreement, in form and substance satisfactory to the Lender, among Borrower, a banking institution holding Borrower’s funds, and the Lender with respect to collection and control of all deposits and balances held in a deposit account maintained by Borrower.

1.3.13 “**Deposit Accounts**” shall have the meaning set forth in Article 9 of the UCC.

1.3.14 “**Disposition**” or “**Dispose**” means the sale, transfer, license, lease, or other disposition (in one transaction or in a series of transactions) of any property by any Person (including any sale and leaseback transaction and any issuance of Equity Interests by a subsidiary of such Person), including any sale, assignment, transfer, or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

1.3.15 “**Documents**” shall have the meaning set forth in Article 9 of the UCC.

1.3.16 “**Equipment**” shall have the meaning set forth in Article 9 of the UCC.

1.3.17 “**Equity Interests**” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing, but excluding any debt securities convertible into any of the foregoing.

1.3.18 “**Event of Default**” means an event described in Section 5.1.

1.3.19 “**Exhibit**” refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

1.3.20 “**Fixtures**” shall have the meaning set forth in Article 9 of the UCC.

1.3.21 “**General Intangibles**” shall have the meaning set forth in Article 9 of the UCC.

1.3.22 “**Goods**” shall have the meaning set forth in Article 9 of the UCC.

1.3.23 “**Industrial Designs**” means all right, title and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to registered industrial designs and industrial design applications.

1.3.24 “**Instruments**” shall have the meaning set forth in Article 9 of the UCC.

1.3.25 “**Intellectual Property**” means all rights, title, and interests in or relating to intellectual property and industrial property arising under any Requirement of Law and all IP Ancillary Rights relating thereto, including all Copyrights, Patents, Industrial Designs, Software, Trademarks, Internet Domain Names, Trade Secrets, and IP Licenses.

1.3.26 “**IP Ancillary Rights**” means, with respect to any Intellectual Property, as applicable, all foreign counterparts to, and all divisionals, reversions, continuations, continuations-in-part, reissues, reexaminations, renewals, and extensions of, such Intellectual Property and all income, royalties, proceeds, and Liabilities at any time due or payable or asserted under or with respect to any of the foregoing or otherwise with respect to such Intellectual Property throughout the world, including all rights to sue or recover at law or in equity for any past, present, or future infringement, misappropriation, dilution, violation, or other impairment thereof, and, in each case, all rights to obtain any other IP Ancillary Right throughout the world.

1.3.27 “**IP License**” means all contractual obligations (and all related IP Ancillary Rights), whether written or oral, granting any right, title, and interest in or relating to any Intellectual Property.

1.3.28 “**Internet Domain Name**” means all right, title, and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to internet domain names.

1.3.29 “**Inventory**” shall have the meaning set forth in Article 9 of the UCC.

1.3.30 “**Investment Property**” shall have the meaning set forth in Article 9 of the UCC.

1.3.31 “**Letter-of-Credit Rights**” shall have the meaning set forth in Article 9 of the UCC.

1.3.32 “**Liabilities**” mean all claims (including intraparty claims), actions, suits, judgments, damages, losses, liability, obligations, responsibilities, fines, penalties, sanctions, costs, fees, Taxes, commissions, charges, disbursements and expenses (including those incurred upon any appeal or in connection with the preparation for and/or response to any subpoena or request for document production relating thereto), in each case of any kind or nature (including interest accrued thereon or as a result thereto and fees, charges and disbursements of financial, legal and other advisors and consultants), whether joint or several, whether or not indirect, contingent, consequential, actual, punitive, treble or otherwise.

1.3.33 “**Lien**” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

1.3.34 “**Material Intellectual Property**” means Intellectual Property that is owned by or licensed to Borrower and material to the conduct of Borrower’s business.

1.3.35 “**Patents**” means all rights, title, and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to letters patent and applications therefor.

1.3.36 “**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, government, governmental authority, or other entity.

1.3.37 “**Pledged Collateral**” means all Instruments, Securities, and other Investment Property of Borrower, whether or not physically delivered to the Lender pursuant to this Security Agreement.

1.3.38 “**Receivables**” means the Accounts, Chattel Paper, Documents, Investment Property, Instruments, and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

1.3.39 “**Requirement of Law**” means, with respect to any Person, (a) the charter, articles or certificate of organization or incorporation and bylaws or operating, management or partnership agreement, or other organizational or governing documents of such Person and (b) any statute, law (including common law), treaty, rule, regulation, code, ordinance, order, decree, writ, judgment, injunction or determination of any arbitrator or court or other governmental authority (including environmental laws), in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

1.3.40 “**Section**” means a numbered section of this Security Agreement, unless another document is specifically referenced.

1.3.41 “**Secured Obligations**” means the Obligations, plus Borrower’s obligations and liability under this Security Agreement.

1.3.42 “**Security**” shall have the meaning set forth in Article 8 of the UCC.

1.3.43 “**Software**” means all of the following owned by a Borrower (a) all computer programs, including source code and object code versions, (b) all data, databases and compilations of data, whether machine readable or otherwise, and (c) all documentation, training materials, and configurations related to any of the foregoing.

1.3.44 “**Stock Rights**” means all dividends, instruments, or other distributions and any other right or property which Borrower shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any Equity Interest constituting Collateral, any right to receive an Equity Interest and any right to receive earnings, in which Borrower now have or hereafter acquire any right, issued by an issuer of such Equity Interest.

1.3.45 “**Supporting Obligations**” shall have the meaning set forth in Article 9 of the UCC.

1.3.46 “**Trade Secrets**” means all right, title, and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to proprietary, confidential, and/or non-public information, however documented, including but not limited to confidential ideas, know-how, concepts, methods, processes, formulae, reports, data, customer lists, mailing lists, business plans, and all other trade secrets.

1.3.47 “**Trademarks**” means all rights, title, and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, and other source or business identifiers and, in each case, all goodwill associated therewith, all registrations and recordations thereof and all applications in connection therewith.

1.3.48 “**UCC**” means the Uniform Commercial Code, as in effect from time to time, of the State of Georgia or of any other state the laws of which are required as a result thereof to be applied in connection with the attachment, perfection or priority of, or remedies with respect to, Lender’s Lien on any Collateral.

1.4. The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

2. **Grant of Security Interest.** Borrower hereby pledges, assigns, and grants to the Lender, a security interest in all of its right, title, and interest in, to and under all personal property and other assets, whether now owned by or owing to, or hereafter acquired by or arising in favor of Borrower (including under any trade name or derivations thereof), and whether owned or consigned by or to, or leased from or to, Borrower, and regardless of where located (all of which will be collectively referred to as the “**Collateral**”) including, without limitation:

- 2.1. all Accounts;
- 2.2. all Chattel Paper;
- 2.3. all Copyrights, Patents and Trademarks;
- 2.4. all Documents;
- 2.5. all Equipment;
- 2.6. all Fixtures;
- 2.7. all General Intangibles;
- 2.8. all Goods;

- 2.9. all Instruments;
- 2.10. all Inventory;
- 2.11. all Investment Property;
- 2.12. all cash or cash equivalents;
- 2.13. all letters of credit, Letter-of-Credit Rights, and Supporting Obligations;
- 2.14. all Deposit Accounts with any bank or other financial institution;
- 2.15. all Commercial Tort Claims; and

2.16. all accessions to, substitutions for and replacements, proceeds (including Stock Rights), insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts, and other computer materials and records related thereto and any General Intangibles at any time evidencing or relating to any of the foregoing;

to secure the prompt and complete payment and performance of the Secured Obligations.

3. **Representations and Warranties.** Borrower represents and warrants to the Lender as follows.

3.1. Title, Authorization, Validity, Enforceability, Perfection and Priority. Borrower has good and valid rights in or the power to transfer the Collateral and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens, and has full power and authority to grant to the Lender the security interest in the Collateral pursuant hereto; provided that, with respect to the Patents, the foregoing representation shall only apply to Borrower's ownership interest in the Patents acquired by Borrower pursuant to the terms and conditions of the Purchase Agreement. The execution and delivery by Borrower of this Security Agreement has been duly authorized by proper corporate proceedings of Borrower, and this Security Agreement constitutes a legal, valid and binding obligation of Borrower and creates a security interest which is enforceable against Borrower in all Collateral it now owns or hereafter acquires, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. When financing statements have been filed in the appropriate offices against Borrower in the locations listed on **Exhibit H**, the Lender will have a fully perfected first priority security interest in that Collateral of Borrower in which a security interest may be perfected by filing.

3.2. Type and Jurisdiction of Organization, Organizational and Identification Numbers. Borrower is a corporation, incorporated in the state or jurisdiction of incorporation, having the organizational number issued to it by its state of incorporation, and with its federal employer identification number, all as set forth on **Exhibit A**.

3.3. Principal Location. Borrower's mailing address, which shall be its address for notices and other communications provided for herein, and the location of its place of business (if it has only one) or its chief executive office (if it has more than one place of business), are disclosed in **Exhibit A**; Borrower has no other places of business except those set forth in **Exhibit A**.

3.4. Collateral Locations. All of Borrower's locations where Collateral is located are listed on **Exhibit A**. All of said locations are owned by Borrower except for locations (i) which are leased by Borrower as lessee and designated in Part VII(b) of **Exhibit A** and (ii) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Part VII(c) of **Exhibit A**.

3.5. Deposit Accounts. All of Borrower's Deposit Accounts are listed on **Exhibit B**.

3.6. Exact Names. Borrower's name in which it has executed this Security Agreement is the exact name as it appears in Borrower's incorporation documents, as amended, as filed with Borrower's jurisdiction of incorporation. Borrower has not, during the past five years, been known by or used any other corporate or fictitious name, or been a party to any merger or consolidation, or been a party to any acquisition.

3.7. Letter-of-Credit Rights and Chattel Paper. **Exhibit C** lists all Letter-of-Credit Rights and Chattel Paper of Borrower. The Lender will have a fully perfected first priority security interest in the Collateral listed on **Exhibit C**.

3.8. Accounts and Chattel Paper. The names of the obligors, amounts owing, due dates, and other information with respect to its Accounts and Chattel Paper are and will be correctly stated in all records of Borrower relating thereto. As of the time when each Account or each item of Chattel Paper arises, Borrower shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all respects what they purport to be. With respect to its Accounts, (i) all Accounts represent bona fide sales of Inventory or rendering of services to Account Debtors in the ordinary course of Borrower's business and are not evidenced by a judgment, Instrument, or Chattel Paper; (ii) there are no setoffs, claims, or disputes existing or asserted with respect thereto; and (iii) to Borrower's knowledge, there are no facts, events, or occurrences which in any way impair the validity or enforceability thereof.

3.9. Inventory. With respect to any of its Inventory, (i) such Inventory (other than Inventory in transit) is located at one of Borrower's locations set forth on **Exhibit A**, and (ii) Borrower has good, indefeasible, and merchantable title to such Inventory and such Inventory is not subject to any Lien or security interest or document whatsoever except for the security interest granted to the Lender hereunder.

3.10. Intellectual Property.

3.10.1 **Exhibit D** contains a complete and accurate listing of the following Intellectual Property Borrower owns, licenses or otherwise has the right to use: (i) Intellectual Property that is registered or subject to applications for registration, (ii) Internet Domain Names and (iii) Material Intellectual Property, separately identifying that owned and licensed to Borrower and including for each of the foregoing items (1) the owner, (2) the title, (3) the jurisdiction in which such item has been registered or otherwise arises or in which an application for registration has been filed, (4) as applicable, the registration or application number and registration or application date, and (5) any IP Licenses or other rights (including franchises) granted by Borrower with respect thereto.

3.10.2 This Security Agreement is effective to create a valid and continuing Lien on such Copyrights, IP Licenses, Patents, and Trademarks and, upon filing with the Applicable IP Office of the Confirmatory Grant of Security Interest in Copyrights, the Confirmatory Grant of Security Interest in Patents (which shall not include any Patents arising under laws of jurisdictions outside the United States) and the Confirmatory Grant of Security Interest in Trademarks (each, a "**Confirmatory Grant**"), and the filing of appropriate financing statements in the jurisdictions listed in **Exhibit H** hereto, all action necessary or desirable to protect and perfect the security interest in, to and on Borrower's Patents, Trademarks, Copyrights, or IP Licenses have been taken and such perfected security interest is enforceable as such as against any and all creditors of and purchasers from Borrower.

3.11. Filing Requirements. None of its Equipment is covered by any certificate of title, except for the vehicles described in Part I of **Exhibit E**. None of the Collateral owned by it is of a type for which security interests or liens may be perfected by filing under any federal statute except for (i) the vehicles described in Part II of **Exhibit E** and (ii) Patents, Trademarks and Copyrights held by Borrower and described in **Exhibit D**. The legal description, county, and street address of each property on which any Fixtures are located is set forth in **Exhibit F** together with the name and address of the record owner of each such property.

3.12. No Financing Statements, Security Agreements. No financing statement or security agreement describing all or any portion of the Collateral has been filed or is of record in any jurisdiction except for financing statements or security agreements naming the Lender as the secured party.

3.13. Pledged Collateral.

3.13.1 **Exhibit G** sets forth a complete and accurate list of all of the Pledged Collateral owned by Borrower. Borrower is the direct, sole beneficial owner and sole holder of record of the Pledged Collateral listed on **Exhibit G** as being owned by it, free and clear of any Liens, except for the security interest granted to the Lender hereunder. Borrower further represents and warrants that all Pledged Collateral owned by it constituting an Equity Interest has been (to the extent such concepts are relevant with respect to such Pledged Collateral) duly authorized, validly issued, are fully paid and non-assessable.

3.13.2 In addition, (i) none of the Pledged Collateral owned by it has been issued or transferred in violation of the securities registration, securities disclosure, or similar laws of any jurisdiction to which such issuance or transfer may be subject, (ii) no options, warrants, calls or commitments of any character whatsoever (A) exist relating to such Pledged Collateral or (B) obligate the issuer of any Equity Interest included in the Pledged Collateral to issue additional Equity Interests, and (iii) no consent, approval, authorization, or other action by, and no giving of notice, filing with, any governmental authority or any other Person is required for the pledge by Borrower of such Pledged Collateral pursuant to this Security Agreement or for the execution, delivery and performance of this Security Agreement by Borrower, or for the exercise by the Lender of the voting or other rights provided for in this Security Agreement or for the remedies in respect of the Pledged Collateral pursuant to this Security Agreement, except as may be required in connection with such disposition by laws affecting the offering and sale of securities generally.

3.13.3 Except as set forth in **Exhibit G**, Borrower owns 100% of the issued and outstanding Equity Interests which constitute Pledged Collateral owned by it and none of the Pledged Collateral which represents indebtedness owed to Borrower is subordinated in right of payment to other indebtedness or subject to the terms of an indenture.

4. **Covenants.** From the date of this Security Agreement and thereafter until this Security Agreement is terminated pursuant to the terms hereof, Borrower agrees as follows.

4.1. General.

4.1.1 *Collateral Records.* Borrower will maintain complete and accurate books and records with respect to the Collateral owned by it, and furnish to the Lender such reports relating to such Collateral as the Lender shall from time to time request.

4.1.2 *Authorization to File Financing Statements; Ratification.* Borrower hereby authorizes the Lender to file, and if requested will deliver to the Lender, all financing statements and other documents and take such other actions as may from time to time be requested by the Lender in order to maintain a first perfected security interest in and, if necessary to perfect such first priority security interest, Control of, the Collateral owned by Borrower. Any financing statement filed by the Lender may be filed in any filing office in any UCC jurisdiction and may (i) indicate Borrower's Collateral (1) as all assets of Borrower or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC of such jurisdiction, or (2) by any other description which reasonably approximates the description contained in this Security Agreement, and (ii) contain any other information required by part 5 of Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including (A) whether Borrower is an organization, the type of organization and any organization identification number issued to Borrower, and (B) in the case of a financing statement filed as a fixture filing or indicating Borrower's Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Borrower also agrees to furnish any such information described in the foregoing

sentence to the Lender promptly upon request. Borrower also ratifies its authorization for the Lender to have filed in any UCC jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

4.1.3 *Further Assurances.* Borrower will, if so requested by the Lender, furnish to the Lender, statements and schedules further identifying and describing the Collateral owned by it and such other reports and information in connection with its Collateral as the Lender may reasonably request. Borrower also agrees to take any and all actions necessary to defend title to the Collateral against all persons and to defend the security interest of the Lender in its Collateral and the priority thereof against any other Lien.

4.1.4 *Disposition of Collateral.* Borrower will not sell, lease, or otherwise Dispose of the Collateral except for Dispositions (i) of Inventory in the ordinary course of business; (ii) of used, obsolete, worn out or surplus Equipment or property in the ordinary course of business; (iii) of accounts receivable in connection with the compromise, settlement, or collection thereof; and (iv) resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of Borrower.

4.1.5 *Liens.* Borrower will not create, incur, or suffer to exist any Lien on the Collateral, except the security interest created by this Security Agreement.

4.1.6 *Other Financing Statements.* Borrower will not authorize the filing of any financing statement naming it as debtor covering all or any portion of the Collateral owned by it, except for financing statements naming the Lender as the secured party. Borrower acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement without the prior written consent of the Lender, subject to Borrower's rights under Section 9-509(d)(2) of the UCC.

4.2. Receivables.

4.2.1 *Collection of Receivables.* Except as otherwise provided in this Security Agreement, Borrower will collect and enforce, at Borrower's sole expense, all amounts due or hereafter due to Borrower under the Receivables owed to it.

4.2.2 *Delivery of Invoices.* Borrower will deliver to the Lender immediately upon its request after the occurrence and during the continuation of an Event of Default duplicate invoices with respect to each Account owned by it bearing such language of assignment as the Lender shall specify.

4.2.3 *Disclosure of Counterclaims on Receivables.* If, to the knowledge of Borrower, any material dispute, setoff, claim, counterclaim, or defense exists or has been asserted or threatened with respect to any Receivables, Borrower will promptly disclose such fact to the Lender in writing.

4.3. Inventory and Equipment.

4.3.1 *Maintenance of Goods.* Borrower will use its best efforts to maintain, preserve, protect, and keep its Inventory and the Equipment in good repair and working and saleable condition, except for damaged or defective goods arising in the ordinary course of Borrower's business and except for ordinary wear and tear in respect of the Equipment.

4.3.2 *Inventory Count.* Borrower will conduct a physical count of its Inventory at least once per fiscal year, and after and during the continuation of an Event of Default, at such other times as the Lender requests. Borrower, at its own expense, shall deliver to the Lender, upon request, the results of each physical verification, which Borrower has made, or has caused any other Person to make on its behalf, of all or any portion of its Inventory.

4.3.3 *Equipment.* Borrower shall promptly inform the Lender of any additions to or deletions from its Equipment which individually or in the aggregate exceed \$250,000. Borrower shall not permit any Equipment to become a fixture with respect to real property or to become an accession with respect to other personal property with respect to which real or personal property the Lender does not have a Lien.

4.4. Delivery of Instruments, Securities, Chattel Paper and Documents. Borrower will (i) deliver to the Lender immediately upon execution of this Security Agreement the originals of all Chattel Paper, Securities and Instruments constituting Collateral owned by it (if any then exist), (ii) hold in trust for the Lender upon receipt and immediately thereafter deliver to the Lender any Chattel Paper, Securities and Instruments constituting Collateral, (iii) upon the Lender's request, deliver to the Lender (and thereafter hold in trust for the Lender upon receipt and immediately deliver to the Lender) any Document evidencing or constituting Collateral.

4.5. Uncertificated Pledged Collateral. Borrower will permit the Lender from time to time to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of uncertificated securities or other types of Pledged Collateral owned by it not represented by certificates to mark their books and records with the numbers and face amounts of all such uncertificated securities or other types of Pledged Collateral not represented by certificates and all rollovers and replacements therefor to reflect the Lien of the Lender granted pursuant to this Security Agreement. With respect to any Pledged Collateral owned by it, Borrower will take any actions necessary to cause (i) the issuers of uncertificated securities which are Pledged Collateral and (ii) any securities intermediary which is the holder of any Pledged Collateral, to cause the Lender to have and retain Control over such Pledged Collateral. Without limiting the foregoing, Borrower will, with respect to any such Pledged Collateral held with a securities intermediary, cause such securities intermediary to enter into a control agreement with the Lender, in form and substance satisfactory to the Lender, giving the Lender Control.

4.6. Pledged Collateral.

4.6.1 *Changes in Capital Structure of Issuers.* Borrower will not (i) permit or suffer any issuer of an Equity Interest of any subsidiary or affiliate of Borrower constituting Pledged Collateral owned by it to dissolve, merge, liquidate, retire any of such Equity Interests, or other Instruments or Securities evidencing ownership, reduce its capital, sell, or encumber all or substantially all of its assets (except for Dispositions permitted pursuant to Section 4.1.4) or merge or consolidate with any other entity, or (ii) vote any such Pledged Collateral in favor of any of the foregoing.

4.6.2 *Issuance of Additional Securities.* Borrower will not permit or suffer the issuer of an Equity Interest of any subsidiary or affiliate of Borrower constituting Pledged Collateral owned by it to issue additional Equity Interests, any right to receive the same, or any right to receive earnings, except to Borrower.

4.6.3 *Registration of Pledged Collateral.* Borrower will permit any registerable Pledged Collateral to be registered in the name of the Lender or its nominee at any time at the option of the Lender.

4.6.4 *Exercise of Rights in Pledged Collateral.*

4.6.4.1 Without in any way limiting the foregoing and subject to Section 4.6.4.2 below, Borrower shall have the right to exercise all voting rights or other rights relating to the Pledged Collateral owned by it for all purposes not inconsistent with this Security Agreement or the Purchase Agreement; provided however, that no vote or other right shall be exercised or action taken which would have the effect of impairing the rights of the Lender in respect of such Pledged Collateral.

4.6.4.2 Borrower will permit the Lender or its nominee at any time after the occurrence of an Event of Default, without notice, to exercise all voting rights or other rights relating to the Pledged Collateral owned by it, including, without limitation, exchange, subscription or any other rights,

privileges, or options pertaining to any Equity Interest or Investment Property constituting Pledged Collateral as if it were the absolute owner thereof.

4.6.4.3 Borrower shall be entitled to collect and receive for its own use all cash dividends and interest paid in respect of the Pledged Collateral owned by it other than any of the following distributions and payments (collectively referred to as the “**Excluded Payments**”): (A) dividends and interest paid or payable other than in cash in respect of such Pledged Collateral, and instruments and other property received, receivable or otherwise distributed in respect of, or in exchange for, any Pledged Collateral; (B) dividends and other distributions paid or payable in cash in respect of such Pledged Collateral in connection with a partial or total liquidation or dissolution or in connection with a reduction of capital, capital surplus or paid-in capital of an issuer; and (C) cash paid, payable or otherwise distributed, in respect of principal of, or in redemption of, or in exchange for, such Pledged Collateral; provided however, that until actually paid, all rights to such distributions shall remain subject to the Lien created by this Security Agreement; and

4.6.4.4 All Excluded Payments and all other distributions in respect of any of the Pledged Collateral owned by Borrower, whenever paid or made, shall be delivered to the Lender to hold as Pledged Collateral and shall, if received by Borrower, be received in trust for the benefit of the Lender, be segregated from the other property or funds of Borrower, and be forthwith delivered to the Lender as Pledged Collateral in the same form as so received (with any necessary endorsement).

4.6.5 *Interests in Limited Liability Companies.* Borrower agrees that no ownership interests in a limited liability company which are included within the Collateral owned by Borrower shall at any time constitute a Security under Article 8 of the UCC of the applicable jurisdiction.

4.7. Intellectual Property.

4.7.1 After any change to **Exhibit D** (or the information required to be disclosed thereon), Borrower shall provide the Lender notification thereof in the Confirmatory Grant as described in Section 4.7.5 and any other documents that Lender reasonably requests with respect thereto.

4.7.2 Borrower shall (and shall cause all its licensees to) (i) (1) continue to use each Trademark included in the Material Intellectual Property in order to maintain such Trademark in full force and effect with respect to each class of goods for which such Trademark is currently used, free from any claim of abandonment for non-use, (2) maintain at least the same standards of quality of products and services offered under such Trademark as are currently maintained, (3) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable Requirements of Law and (4) not adopt or use any other Trademark that is confusingly similar or a colorable imitation of such Trademark unless the Lender shall obtain a perfected security interest in such other Trademark pursuant to this Security Agreement and (ii) not do any act or omit to do any act whereby (w) such Trademark (or any goodwill associated therewith) may become destroyed, invalidated, impaired or harmed in any way, (x) any Patent included in the Material Intellectual Property may become forfeited, misused, unenforceable, abandoned or dedicated to the public, (y) any portion of the Copyrights included in the Material Intellectual Property may become invalidated, otherwise impaired or fall into the public domain or (z) any Trade Secret that is Material Intellectual Property may become publicly available or otherwise unprotectable.

4.7.3 Borrower shall notify the Lender immediately if it knows that any application or registration relating to any Patent, Trademark, Copyright, or other Material Intellectual Property may become forfeited, misused, unenforceable, abandoned or dedicated to the public, or of any adverse determination or development regarding the validity or enforceability or Borrower’s ownership of, interest in, right to use, register, own or maintain any Patent, Trademark, Copyright or other Material Intellectual Property (including the institution of, or any such determination or development in, any proceeding relating to the foregoing in any Applicable IP Office). Borrower shall take all actions that are necessary or reasonably requested by the Lender to

maintain and pursue each application (and to obtain the relevant registration or recordation) and to maintain each registration and recordation included in the Material Intellectual Property.

4.7.4 Borrower shall not knowingly do any act or omit to do any act to infringe, misappropriate, dilute, violate or otherwise impair the Intellectual Property of any other Person. In the event that any Material Intellectual Property of Borrower is or has been infringed, misappropriated, violated, diluted or otherwise impaired by a third party, Borrower shall take reasonable steps to prevent further infringement, including, without limitation, making demand to cease infringement, attempting to settle its claims and, in its reasonable business judgment, suing for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and shall take such other actions as Borrower, in its reasonable business judgment shall deem appropriate under the circumstances to protect such Material Intellectual Property.

4.7.5 Borrower shall execute and deliver to the Lender in form and substance reasonably acceptable to the Lender and suitable for filing in the Applicable IP Office the respective Confirmatory Grant in form and substance acceptable to the Lender for all Copyrights, Trademarks and Patents of Borrower.

4.7.6 Borrower shall take all actions necessary or requested by the Lender to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of all Material Intellectual Property (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

4.8. Commercial Tort Claims. Borrower shall promptly, and in any event within five (5) days after the same is acquired by it, notify the Lender of any commercial tort claim (as defined in the UCC) acquired by it and, unless the Lender otherwise consents, Borrower shall enter into an amendment to this Security Agreement, in the form of **Exhibit J** hereto, granting to Lender a first priority security interest in such commercial tort claim.

4.9. Letter-of-Credit Rights. If Borrower is or becomes the beneficiary of a letter of credit, it shall promptly, and in any event within five (5) days after becoming a beneficiary, notify the Lender thereof and cause the issuer and/or confirmation bank to consent to the assignment of any Letter-of-Credit Rights to the Lender.

4.10. Federal, State or Municipal Claims. Borrower will promptly notify the Lender of any Collateral which constitutes a claim against the United States government or any state or local government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal, state, or municipal law.

4.11. No Interference. Borrower agrees that it will not interfere with any right, power, and remedy of the Lender provided for in this Security Agreement or now or hereafter existing at law or in equity or by statute or otherwise, or the exercise or beginning of the exercise by the Lender of any one or more of such rights, powers or remedies.

4.12. Insurance.

4.12.1 Borrower will, and will cause each or its subsidiaries to, maintain with financially sound and reputable carriers having a financial strength rating of at least A- by A.M. Best Company insurance in such amounts (with no greater risk retention) and against such risks (including, without limitation, loss or damage by fire and loss in transit; theft, burglary, pilferage, larceny, embezzlement, and other criminal activities; business interruption; and general liability) and such other hazards, as is customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations. Borrower will furnish to the Lender information in reasonable detail as to the insurance so maintained.

4.12.2 All insurance policies required hereunder shall name the Lender as an additional insured or as lender's loss payee, as applicable, and shall contain lender loss payable clauses or mortgagee clauses, through endorsements in form and substance satisfactory to the Lender, which provide that: (i) all proceeds thereunder with respect to any Collateral shall be payable to the Lender; (ii) no such insurance shall be affected by any act or neglect of the insured or owner of the property described in such policy; and (iii) such policy and lender

loss payable or mortgagee clauses may be canceled, amended, or terminated only upon at least thirty (30) days' prior written notice given to the Lender.

4.12.3 All premiums on such insurance shall be paid when due by Borrower, and copies of the policies delivered to the Lender upon request.

4.13. Deposit Account Control Agreements. Borrower will provide to the Lender upon the Lender's request, a Deposit Account Control Agreement duly executed on behalf of each financial institution holding a deposit account of Borrower as set forth in this Security Agreement.

4.14. Change of Name or Location. Borrower shall not (i) change its name as it appears in official filings in the state of its incorporation or organization, (ii) change its chief executive office, principal place of business, mailing address, corporate offices, or warehouses or locations at which Collateral is held or stored, or the location of its records concerning the Collateral as set forth in this Security Agreement, (iii) change the type of entity that it is, (iv) change its organization identification number, if any, issued by its state of incorporation or other organization, or (v) change its state or jurisdiction of incorporation or organization, in each case, unless the Lender shall have received at least fifteen (15) days' prior written notice.

5. **Events of Default and Remedies.**

5.1. Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" hereunder:

5.1.1 Any representation or warranty made by or on behalf of Borrower under or in connection with this Security Agreement shall be materially false as of the date on which it is made.

5.1.2 Borrower shall fail to cure, within ten (10) days of the earlier of when Borrower first learns of or when Lender sends Borrower a notice of, Borrower's breach or failure to observe or perform any of the terms or provisions of:

5.1.2.1 this Security Agreement (other than a breach which constitutes an Event of Default under Section 5.1.1); and/or

5.1.2.2 the Purchase Agreement.

5.2. Remedies.

5.2.1 Upon the occurrence of an Event of Default, the Lender may exercise any or all of the following rights and remedies:

5.2.1.1 those rights and remedies provided in this Security Agreement and/or the Purchase Agreement; provided that, this Section 5.2.1 shall not be understood to limit any rights or remedies available to the Lender prior to an Event of Default;

5.2.1.2 those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law when a debtor is in default under a security agreement;

5.2.1.3 give notice of sole control or any other instruction under any Deposit Account Control Agreement or any other control agreement with any securities intermediary and take any action therein with respect to such Collateral;

5.2.1.4 without notice (except as specifically provided in Section 8.1 or elsewhere herein), demand, or advertisement of any kind to Borrower or any other Person, enter the premises of Borrower

where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase, or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at Borrower's premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Lender may deem commercially reasonable; and

5.2.1.5 concurrently with written notice to the applicable Borrower, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral, exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations, exercise the voting and all other rights as a holder with respect thereto, collect and receive all cash dividends, interest, principal, and other distributions made thereon and to otherwise act with respect to the Pledged Collateral as though the Lender was the outright owner thereof.

5.2.2 The Lender may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

5.2.3 The Lender shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Lender, the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption Borrower hereby expressly releases.

5.2.4 Until the Lender is able to effect a sale, lease, or other disposition of Collateral, the Lender shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value or for any other purpose deemed appropriate by the Lender. The Lender may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Lender's remedies, with respect to such appointment without prior notice or hearing as to such appointment.

5.2.5 Notwithstanding the foregoing, the Lender shall not be required to (i) make any demand upon, or pursue or exhaust any of its rights or remedies against, Borrower, any other obligor, guarantor, pledgor, or any other Person with respect to the payment of the Secured Obligations or to pursue or exhaust any of its rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof, (ii) marshal the Collateral or any guarantee of the Secured Obligations or to resort to the Collateral or any such guarantee in any particular order, or (iii) effect a public sale of any Collateral.

5.2.6 Borrower recognizes that the Lender may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with Section 5.2.1 above. Borrower also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Lender shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit Borrower or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the applicable Borrower and the issuer would agree to do so.

5.3. Borrower's Obligations Upon Default. Upon the request of the Lender after the occurrence and during the continuation of an Event of Default, Borrower will:

5.3.1 assemble and make available to the Lender the Collateral and all books and records relating thereto at any place or places specified by the Lender, whether at a Borrower's premises or elsewhere;

5.3.2 permit the Lender, by the Lender's representatives and agents, to enter, occupy and use any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral or the books and records relating thereto, or both, to remove all or any part of the Collateral or the books and records relating thereto, or both, and to conduct sales of the Collateral, without any obligation to pay the applicable Borrower for such use and occupancy;

5.3.3 prepare and file, or cause an issuer of Pledged Collateral to prepare and file, with the Securities and Exchange Commission or any other applicable government agency, registration statements, a prospectus and such other documentation in connection with the Pledged Collateral as the Lender may request, all in form and substance satisfactory to the Lender, and furnish to the Lender, or cause an issuer of Pledged Collateral to furnish to the Lender, any information regarding the Pledged Collateral in such detail as the Lender may specify;

5.3.4 take, or cause an issuer of Pledged Collateral to take, any and all actions necessary to register or qualify the Pledged Collateral to enable the Lender to consummate a public sale or other disposition of the Pledged Collateral; and

5.3.5 at its own expense, cause the independent certified public accountants then engaged by Borrower to prepare and deliver to the Lender, at any time, and from time to time, promptly upon the Lender's request, the following reports with respect to the applicable Borrower: (i) a reconciliation of all Accounts; (ii) an aging of all Accounts; (iii) trial balances; and (iv) a test verification of such Accounts.

5.4. Grant of Intellectual Property License. For the purpose of enabling the Lender to exercise the rights and remedies under this Section 5 at such time as the Lender shall be lawfully entitled to exercise such rights and remedies, (including in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon, sell, assign, convey, transfer or grant options to purchase any Collateral), Borrower hereby (i) grants to the Lender an irrevocable, nonexclusive worldwide license (exercisable without payment of royalty or other compensation to Borrower) including in such license the right to use, license, sublicense, or practice any Intellectual Property now owned or hereafter acquired by Borrower, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all Software and programs used for the compilation or printout thereof and (ii) irrevocably agrees that the Lender may sell any of Borrower's Inventory directly to any person, including without limitation persons who have previously purchased Borrower's Inventory from Borrower and in connection with any such sale or other enforcement of the Lender's rights under this Security Agreement, may sell Inventory which bears any Trademark owned by or licensed to Borrower and any Inventory that is covered by any Copyright owned by or licensed to Borrower and the Lender may (but shall have no obligation to) finish any work in process and affix any Trademark owned by or licensed to Borrower and sell such Inventory as provided herein.

6. **Account Verification; Attorney In Fact; Proxy.**

6.1. Account Verification. The Lender may at any time after the occurrence and during the continuation of an Event of Default, in the Lender's own name, in the name of a nominee of the Lender, or in the name of Borrower communicate (by mail, telephone, facsimile, email, or otherwise) with the Account Debtors of Borrower, parties to contracts with Borrower and obligors in respect of Instruments of Borrower to verify with such Persons, to the Lender's satisfaction, the existence, amount, terms of, and any other matter relating to, Accounts, Instruments, Chattel Paper, payment intangibles and/or other Receivables.

6.2. Authorization for Lender to Take Certain Action.

6.2.1 Borrower irrevocably authorizes the Lender, at any time and from time to time in the sole discretion of the Lender, and appoints the Lender as its attorney-in-fact (i) to file any financing statement with respect to the Collateral and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Lender in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Lender's security interest in the

Collateral, (ii) in the case of any Intellectual Property owned by or licensed to Borrower, execute, deliver, and have recorded any document that the Lender may request to evidence, effect, publicize, or record the Lender's security interest in such Intellectual Property and the goodwill and General Intangibles of Borrower relating thereto or represented thereby, (iii) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Pledged Collateral or with securities intermediaries holding Pledged Collateral as may be necessary or advisable to give the Lender Control over such Pledged Collateral, (iv) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral, (v) to exercise all of Borrower's rights and remedies with respect to the collection of the Receivables and any other Collateral, (vi) to settle, adjust, compromise, extend, or renew the Receivables, (vii) to settle, adjust, or compromise any legal proceedings brought to collect Receivables, (viii) to prepare, file, and sign Borrower's name on a proof of claim in bankruptcy or similar document against any Account Debtor of Borrower, (ix) to prepare, file, and sign Borrower's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with the Receivables, (x) to change the address for delivery of mail addressed to Borrower to such address as the Lender may designate and to receive, open and dispose of all mail addressed to Borrower, and (xi) to do all other acts and things necessary to carry out this Security Agreement and the Lender's rights thereunder; and Borrower agrees to reimburse the Lender on demand for any payment made or any expense incurred by the Lender in connection with any of the foregoing; provided that, this authorization shall not relieve Borrower of any of its obligations under this Security Agreement or under the Purchase Agreement.

6.2.2 All acts of said attorney or designee are hereby ratified and approved. The powers conferred on the Lender under this Section 6.2 are solely to protect the Lender's interests in the Collateral and shall not impose any duty upon the Lender to exercise any such powers. The Lender agrees that, except for the powers granted in Section 6.2.1(ii) through and including (iv), it shall not exercise any power or authority granted to it unless an Event of Default has occurred and is continuing.

6.3. Proxy. BORROWER HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS THE LENDER AS ITS PROXY AND ATTORNEY-IN-FACT (AS SET FORTH IN AND SUBJECT TO SECTION 6.2) OF BORROWER WITH RESPECT TO THE PLEDGED COLLATERAL, INCLUDING THE RIGHT TO VOTE SUCH PLEDGED COLLATERAL, WITH FULL POWER OF SUBSTITUTION TO DO SO. IN ADDITION TO THE RIGHT TO VOTE ANY SUCH PLEDGED COLLATERAL, THE APPOINTMENT OF THE LENDER AS PROXY AND ATTORNEY-IN-FACT SHALL INCLUDE THE RIGHT TO EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES, AND REMEDIES TO WHICH A HOLDER OF SUCH PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING GIVING OR WITHHOLDING WRITTEN CONSENTS OF SHAREHOLDERS, CALLING SPECIAL MEETINGS OF SHAREHOLDERS AND VOTING AT SUCH MEETINGS). SUCH PROXY SHALL BE EFFECTIVE, AUTOMATICALLY AND WITHOUT THE NECESSITY OF ANY ACTION (INCLUDING ANY TRANSFER OF ANY SUCH PLEDGED COLLATERAL ON THE RECORD BOOKS OF THE ISSUER THEREOF) BY ANY PERSON (INCLUDING THE ISSUER OF SUCH PLEDGED COLLATERAL OR ANY OFFICER OR AGENT THEREOF), UPON THE OCCURRENCE OF A DEFAULT.

6.4. Nature of Appointment; Limitation of Duty. THE APPOINTMENT OF THE LENDER AS PROXY AND ATTORNEY-IN-FACT IN THIS SECTION 6 IS COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE UNTIL THE DATE ON WHICH THIS SECURITY AGREEMENT IS TERMINATED IN ACCORDANCE WITH SECTION 7.14. NOTWITHSTANDING ANYTHING CONTAINED HEREIN, NONE OF THE LENDER OR ANY OF ITS AFFILIATES, OR ANY OF ITS OR THEIR AFFILIATES' RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR REPRESENTATIVES SHALL HAVE ANY DUTY TO EXERCISE ANY RIGHT OR POWER GRANTED HEREUNDER OR OTHERWISE OR TO PRESERVE THE SAME AND SHALL NOT BE LIABLE FOR ANY FAILURE TO DO SO OR FOR ANY DELAY IN DOING SO, EXCEPT IN RESPECT OF DAMAGES ATTRIBUTABLE SOLELY TO SUCH PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AS FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION; PROVIDED THAT, IN NO EVENT SHALL THEY BE LIABLE FOR ANY PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES.

7. General Provisions.

7.1. Waivers. Borrower hereby waives notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to Borrower, addressed as set forth in Section 8.1.2, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. To the maximum extent permitted by applicable law, Borrower waives all claims, damages, and demands against the Lender arising out of the repossession, retention or sale of the Collateral, except such as arise solely out of the gross negligence or willful misconduct of the Lender as finally determined by a court of competent jurisdiction. To the extent it may lawfully do so, Borrower absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against the Lender, any valuation, stay, appraisal, extension, moratorium, redemption, or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the sale of any Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Security Agreement, or otherwise. Except as otherwise specifically provided herein, Borrower hereby waives presentment, demand, protest, or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

7.2. Limitation on the Lender's Duty with Respect to the Collateral. The Lender shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Lender shall use reasonable care with respect to the Collateral in its possession or under its control. The Lender shall not have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Lender, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Lender to exercise remedies in a commercially reasonable manner, Borrower acknowledges and agrees that it is commercially reasonable for the Lender (i) to fail to incur expenses deemed significant by the Lender to prepare Collateral for disposition or otherwise to transform raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against Account Debtors or other Persons obligated on Collateral or to remove Liens on or any adverse claims against Collateral, (iv) to exercise collection remedies against Account Debtors and other Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons, whether or not in the same business as Borrower, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure the Lender against risks of loss, collection or disposition of Collateral or to provide to the Lender a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by the Lender, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Lender in the collection or disposition of any of the Collateral. Borrower acknowledges that the purpose of this Section 7.2 is to provide non-exhaustive indications of what actions or omissions by the Lender would be commercially reasonable in the Lender's exercise of remedies against the Collateral and that other actions or omissions by the Lender shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 7.2. Without limitation upon the foregoing, nothing contained in this Section 7.2 shall be construed to grant any rights to Borrower or to impose any duties on the Lender that would not have been granted or imposed by this Security Agreement or by applicable law in the absence of this Section 7.2.

7.3. Compromises and Collection of Collateral. Borrower and the Lender recognize that setoffs, counterclaims, defenses, and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, Borrower agrees that the Lender may at any time and from time

to time, if an Event of Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Lender in its sole discretion shall determine or abandon any Receivable, and any such action by the Lender shall be commercially reasonable so long as the Lender acts in good faith based on information known to it at the time it takes any such action.

7.4. Performance of Debtor Obligations. Without having any obligation to do so, the Lender may perform or pay any obligation which Borrower has agreed to perform or pay in this Security Agreement and Borrower shall reimburse the Lender for any amounts paid by the Lender pursuant to this Section 7.4. Borrower's obligation to reimburse the Lender pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

7.5. Specific Performance of Certain Covenants. Borrower acknowledges and agrees that a breach of any of the covenants contained in Sections 4.1.4, 4.1.5, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.12, 4.13, 4.14, 5.3, or 7.7 will cause irreparable injury to the Lender, that the Lender has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Lender to seek and obtain specific performance of other obligations of Borrower contained in this Security Agreement, that the covenants of Borrower contained in the Sections referred to in this Section 7.5 shall be specifically enforceable against Borrower.

7.6. Dispositions Not Authorized. Borrower is not authorized to sell or otherwise Dispose of the Collateral except as set forth in Section 4.1.4 and notwithstanding any course of dealing between Borrower and the Lender or other conduct of the Lender, no authorization to sell or otherwise Dispose of the Collateral (except as set forth in Section 4.1.4) shall be binding upon the Lender unless such authorization is in writing signed by the Lender.

7.7. No Waiver; Amendments; Cumulative Remedies. No failure or delay by the Lender in exercising any right or power under this Security Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Security Agreement or consent to any departure by Borrower therefrom shall in any event be effective unless in writing signed by the Lender and then only to the extent in such writing specifically set forth.

7.8. Limitation by Law; Severability of Provisions. All rights, remedies, and powers provided in this Security Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Security Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not render this Security Agreement invalid, unenforceable, or not entitled to be recorded or registered, in whole or in part. Any provision in this Security Agreement held to be invalid, illegal, or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality, or unenforceability without affecting the validity, legality, and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

7.9. Reinstatement. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Borrower for liquidation or reorganization, should Borrower become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Borrower's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof (including a payment effected through exercise of a right of setoff), is, pursuant to applicable law, rescinded, or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof (including a payment effected through exercise of a right of setoff), is rescinded, reduced, restored, or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored, or returned.

7.10. Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of Borrower, the Lender and its successors and assigns (including all persons who become bound as a debtor to this Security Agreement), except that Borrower shall not have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of the Lender. No sales of participations, assignments, transfers, or other dispositions of any agreement governing the Secured Obligations or any portion thereof or interest therein shall in any manner impair the Lien granted to the Lender hereunder.

7.11. Survival of Representations. All representations and warranties of Borrower contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

7.12. Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by federal or state authority in respect of this Security Agreement shall be paid by Borrower, together with interest and penalties, if any. Borrower shall reimburse the Lender for any and all out of pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants who may be employees of the Lender) paid or incurred by the Lender in connection with the enforcement of this Security Agreement and, to the extent provided in the Purchase Agreement in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral). Any and all costs and expenses incurred by Borrower in the performance of actions required pursuant to the terms hereof shall be borne solely by Borrower.

7.13. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

7.14. Termination.

7.14.1 Except as set forth in Section 7.14.2, this Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until all of the Obligations have been fully discharged (including, without limitation, (i) those under Section 7.6 of the Purchase Agreement and (ii) the payment in full of all "Purchase Payments" (as such term is defined in the Purchase Agreement).

7.14.2 If Borrower does not fully discharge the Obligations, this Agreement shall not terminate as provided in this Section 7.14 but shall instead continue in effect until all Obligations are satisfied, in full.

7.15. Partial Release. Upon the closing of the transaction described in clause (i) of Section 15 of the Purchase Agreement, Lender's security interest in the Patents and Trademarks shall be released; provided, however, that any of Lender's rights exercised with respect to the Patents and/or Trademarks before the closing of such transaction shall not be affected by this Section 7.15.

7.16. Entire Agreement. This Security Agreement and the Purchase Agreement embody the entire agreement and understanding between Borrower and the Lender relating to the Collateral and supersedes all prior agreements and understandings between Borrower and the Lender relating to the Collateral.

7.17. CHOICE OF LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF GEORGIA.

7.18. CONSENT TO JURISDICTION. BORROWER HEREBY IRREVOCABLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NON EXCLUSIVE JURISDICTION OF THE U.S. FEDERAL COURTS FOR THE NORTHERN DISTRICT OF GEORGIA, ATLANTA DIVISION OR ANY GEORGIA STATE COURT SITTING IN COBB COUNTY, GEORGIA IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND BORROWER HEREBY IRREVOCABLY

AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE LENDER TO BRING PROCEEDINGS AGAINST BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY BORROWER AGAINST THE LENDER OR ANY AFFILIATE OF THE LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS SECURITY AGREEMENT SHALL BE BROUGHT ONLY IN THE COURTS DESCRIBED ABOVE IN THIS SECTION 7.18.

7.19. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE OR OTHER AGENT (INCLUDING ANY ATTORNEY) OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

7.20. Indemnity. Borrower hereby agrees to indemnify the Lender and its successors, assigns, agents, and employees, from and against any and all liabilities, damages, penalties, suits, fees, costs, and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Lender is a party thereto) imposed on, incurred by or asserted against the Lender or its successors, assigns, agents, and employees, in any way relating to or arising out of Borrower's breach of this Security Agreement.

7.21. Counterparts. This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Security Agreement by signing any such counterpart. Delivery of an executed counterpart of a signature page of this Security Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Security Agreement.

8. Notices.

8.1. Sending Notices. Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to Section 8.2 below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service and mailed by certified or registered mail, as follows.

8.1.1 if to the Lender, at:

Emrge, LLC
3044 Nancy Creek Road, N.W.
Atlanta, GA 30327
Attention: Felmont F. Eaves, III

with a copy (which shall not constitute notice) to:

Scott K. Harris
Friend, Hudak & Harris, LLP
Three Ravinia Drive, Suite 1700
Atlanta, GA 30346

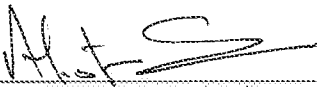
8.1.2 if to Borrower, to its mailing address set forth on **Exhibit A**.

8.2. Any party hereto may change its address or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

8.3. Change in Address for Notices. Borrower and the Lender may change the address for service of notice upon it by a notice in writing to the other party.

Borrower and the Lender have executed this Security Agreement as of the date first above written.

BORROWER:
Brijjit Medical, Inc., a Delaware corporation

By: 
Alistair J. Simpson, ~~President~~
C.E.O.

LENDER:
Emrge, LLC, a Georgia limited liability company

By: 
Felmont F. Eaves, III, Sole Manager

SECURITY AGREEMENT

EXHIBIT A

(See Sections 3.2, 3.3, 3.4, 3.9 and 8.1 of Security Agreement)

Notice address for Borrower

425 Franklin Gateway SE
Suite 560
Marietta, GA 30067
Attention: Alistair J. Simpson

SECURITY AGREEMENT

EXHIBIT A

(See Sections 3.2, 3.3, 3.4, 3.9 and 8.1 of Security Agreement)

Information and Collateral Locations of Borrower

- I. Name of Borrower: Brijjit Medical, Inc.
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Corporation
- IV. Organizational Number assigned by State of Incorporation or Organization: 5910953
- V. Federal Identification Number: A disregarded entity.
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:
425 Franklin Gateway SE, Suite 560
Marietta, GA 30067
Attention: Alistair J. Simpson, President
- VII. Locations of Collateral:
 - (a) Properties Owned by Borrower:
None.
 - (b) Properties Leased by Borrower (including Landlord's Name):
See Exhibit F Legal Description
 - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):
None.

SECURITY AGREEMENT

EXHIBIT B

(See Section 3.5 of Security Agreement)

Deposit Accounts

Name of Borrower	Name of Institution	Account Number (and purpose)
Brijjit Medical, Inc.	JP Morgan Chase	639332581 (checking)
Brijjit Medical, Inc.	JP Morgan Chase	652683019 (sweep)
Brijjit Medical, Inc.	JP Morgan Chase	727539683 (investments)

SECURITY AGREEMENT

EXHIBIT C

(See Section 3.7 of Security Agreement)

Letter-of-Credit Rights

None.

Chattel Paper

None.

SECURITY AGREEMENT

EXHIBIT D

(See Section 3.10 and 3.11 of Security Agreement)

Intellectual Property

1. Patents

A. FIRST TISSUE BRIDGE UTILITY

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3591.002AU Non-prov.	Force Modulating Tissue Bridge	Australia	Felmont Eaves	2012236205	09/24/13	2012236205	In Force
3591.002AU2 Divisional	"	Australia	"	2016262734	11/24/16	2016262734	In Force
3591.002BR Non-prov.	"	Brazil	"	112013025232-4	09/30/13	112013025232-4	In Force
3591.002CA Non-prov.	"	Canada	"	2,830,918	09/20/13	2,830,918	In Force
3591.002CA2 Non-prov.	"	Canada	"	3,158,872	06/07/22	N/A	Pending
3591.002CN Non-prov.	"	China	"	201280017051.4	09/30/13	103533900	Allowed
3591.002IN Non-prov.	"	India	"	2834/KOLNP/2013	09/27/13	399080	In Force
3591.002KR Non-prov.	"	South Korea	"	10-2013-7028939	10/31/13	10-2046977	In Force
3591.002KR2 Divisional	"	South Korea	"	10-2019-7033673	11/14/19	10-2191430	In Force
3591.002KR3 Divisional	"	South Korea	"	10-2020-7035465	12/09/20	10-2256092	In Force
3591.002KR4 Divisional	"	South Korea	"	10-2021-7015112	05/18/21	10-2399746	In Force
3592.002US2 Continuation	"	United States	"	15/659,012	07/25/17	10,327,774	In Force
3592.002US3 Continuation	"	United States	"	16/406,058	05/08/19	11,298,133	In Force
3592.002US4 Continuation	"	United States	"	17/713,500	04/05/22	N/A	Pending

PATENT

REEL: 063144 FRAME: 0192

EXHIBIT D, ITEM 1 -- PATENTS

B. REMOVABLE COVERING UTILITY

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3591.003AU	Removable Covering and Interactive Packaging	Australia	Felmont Eaves	2012325922	03/24/14	2012325922	In Force
Non-prov.							
3591.003AU2	"	Australia	"	2017208314	07/27/17	2017208314	In Force
Divisional							
3591.003BR	"	Brazil	"	112014009112-9	04/15/14	112014009112-9	In Force
Non-prov.							
3591.003CA	"	Canada	"	2,850,521	03/28/14	2,850,521	In Force
Non-prov.							
3591.003CN	"	China	"	201280051589.7	04/18/14	103889384	In Force
Non-prov.							
3591.003CN2	"	China	"	201610286609.9	05/03/16	105963075	In Force
Divisional							
3591.003DE	"	Germany	"	12841812.6	04/08/14	602012045441.5	In Force
Non-prov.							
3591.003FR	"	France	"	12841812.6	04/08/14	2768454	In Force
Non-prov.							
3591.003GB	"	United Kingdom	"	12841812.6	04/08/14	2768454	In Force
Non-prov.							
3591.003IN	"	India	"	716/KOLNP/2014	03/31/14	386117	In Force
Non-prov.							
3591.003JP	"	Japan	"	2014-537290	04/16/14	6203185	In Force
Non-prov.							
3591.003JP2	"	Japan	"	2017-164272	08/25/17	6474468	In Force
Divisional							
3591.003KR	"	South Korea	"	10-2014-7011429	04/28/14	10-2022573	In Force
Non-prov.							
3592.003US	"	United States	"	14/255,279	04/17/14	10,092,455	In Force
Non-prov.							
3592.003US2	"	United States	"	16/153,340	10/05/18	11,229,555	In Force
Continuation							
3592.003US3	"	United States	"	17/579,836	01/20/22	N/A	Pending
Continuation							

EXHIBIT D, ITEM 1 -- PATENTS

C. FIXATION DEVICE (AKA DUMBBELL) UTILITY							
APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3591.006AU Non-prov.	Fixation Device for Securing a Linear Element to a Workpiece	Australia	Felmont F. Eaves, III	2013345041	04/29/15	2013345041	In Force
3591.006AU2 Divisional	"	Australia	"	2018253564	10/25/18	2018253564	In Force
3591.006AU3 Divisional	"	Australia	"	2021201040	02/17/21	N/A	Pending
3591.006BR Non-prov.	"	Brazil	"	112015011295-1	05/15/15	112015011295-1	In Force
3591.006CA Non-prov.	"	Canada	"	2,889,918	11/11/13	2,889,918	In Force
3591.006CA2 Non-prov.	"	Canada	"	3,110,303	02/25/21	N/A	Pending
3591.006CN Non-prov.	"	China	"	201380060183.X	05/18/15	104797202	In Force
3591.006EP2 Divisional	"	European Patent Convention	"	19175758.2	05/21/19	N/A	Pending
3591.006DE Non-prov.	"	Germany	"	13854690.8	04/29/15	602013057232.1	In Force
3591.006FR Non-prov.	"	France	"	13854690.8	04/29/15	2919664	In Force
3591.006UK Non-prov.	"	United Kingdom	"	13854690.8	04/29/15	2919664	In Force
3591.006IN Non-prov.	"	India	"	1201/KOLNP/2015	04/29/15	N/A	Pending
3591.006JP Non-prov.	"	Japan	"	2015-542714	05/14/15	6255030	In Force
3591.006KR Non-prov.	"	South Korea	"	10-2015-7013951	05/27/15	10-2185630	In Force
3591.006KR2 Divisional	"	South Korea	"	10-2020-7034084	11/26/20	10-2332890	In Force
3592.006US Non-prov.	"	United States	"	14/706,572	05/07/15	10,094,401	In Force
3592.006US2 Continuation	"	United States	"	16/153,235	10/05/18	11/067,107	In Force
3592.006US3 Continuation	"	United States	"	17/375,495	07/14/21	N/A	Pending

EXHIBIT D, ITEM 1 -- PATENTS

D. SECOND (AKA "PROFESSIONAL") TISSUE BRIDGE UTILITY							
APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3591.008AU Non-prov.	Force Modulating Tissue Bridges, Associated Tools, Kits, and Methods	Australia	Felmont F. Eaves David O. Kazmer Gary W. Knight Timothy G. Dietz William Eugene Clem	2017345707	03/15/19	N/A	Pending
3591.008BR Non-prov.	"	Brazil	"	112019007777-4	04/16/19	N/A	Pending
3591.008CA Non-prov.	"	Canada	"	3,037,999	03/21/19	N/A	Pending
3591.008CN Non-prov.	"	China	"	201780065418.2	04/22/19	N/A	Pending
3591.008EP Non-prov.	"	European Patent Convention	"	17861546.4	04/19/19	N/A	Pending
3591.008IN Non-prov.	"	India	"	201937010720	03/19/19	N/A	Pending
3591.008JP Non-prov.	"	Japan	"	2019-520820	04/18/19	N/A	Pending
3591.008KR Non-prov.	"	Korea	"	10-2019-7014511	05/20/19	N/A	Pending
3592.008US Non-prov.	"	United States	"	16/242,064	01/08/19	11,051,815	In Force
3592.008US2 Continuation	"	United States	"	17/354,199	06/22/21	N/A	Pending

EXHIBIT D, ITEM 1 -- PATENTS

E. TISSUE BRIDGE DESIGN

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3592.010D Design	Medical Article for Treating a Wound and/or Scar Tissue	United States	Felmont F. Eaves, III David O. Kazmer Gary W. Knight Timothy G. Dietz William Eugene Clem	29/622,936	10/20/17	D876,641	In Force
3592.010D2 Continuation	"	United States	"	29/715,409	12/02/19	D936,846	In Force
3592.010D3 Continuation	"	United States	"	29/814,967	11/10/21	N/A	Pending
3591.010JPD Design	"	Japan	"	2018-8299	04/16/18	1620211	In Force
3591.010JPD2 Divisional	"	Japan	"	2018-23555	10/26/18	1633647	In Force
3591.010JPD3 Divisional	"	Japan	"	2019-8347	04/16/19	1646380	In Force
3591.010JPD4 Divisional	"	Japan	"	2019-20510	09/13/19	1652516	In Force

F. APPLICATOR DESIGN

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3592.011D Design	Medical Tool for Using in Applying Medical Article	United States	Felmont F. Eaves, III David O. Kazmer Gary W. Knight Timothy G. Dietz William Eugene Clem	29/622,941	10/20/17	D862,695	In Force
3592.011D2 Continuation	"	United States	"	29/704,316	09/04/19	N/A	Pending

EXHIBIT D, ITEM 1 -- PATENTS

G. THIRD (AKA "PUSHDOWN AND/OR MULTISTABLE") TISSUE BRIDGE UTILITY

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3592.015US Non-prov.	Medical Device for Applying Force on Biological Tissue, or the Like	United States	Felmont F. Eaves Gary W. Knight	17/336,695	06/02/21	11,246,595	In Force
3592.015US2 Non-prov.	"	United States	"	17/766,920	04/06/22	N/A	Pending
3591.015AU Non-prov.	"	Australia	"	2020361496	05/03/22	N/A	Pending
3591.015CA Non-prov.	"	Canada	"	3,153,899	04/06/22	N/A	Pending
3591.015CN Non-prov.	"	China	"	202080071869.9	04/11/22	N/A	Pending
3591.015EP Non-prov.	"	Europe	"	20874568.7	05/11/22	N/A	Pending
3591.015IN Non-prov.	"	India	"	202237021113	04/08/22	N/A	Pending
3591.015JP Non-prov.	"	Japan	"	2022-521425	04/08/22	N/A	Pending
3591.015KR Non-prov.	"	Korea	"	10-2022-7015346	05/06/22	N/A	Pending

H. TISSUE BRIDGE WITH CHEVRON DESIGN

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3592.020D Design	Medical Article for Treating a Wound and/or Scar Tissue	United States	Felmont F. Eaves, III Gary W. Knight	29/766,256	01/14/21	N/A	Allowed

PATENT

REEL: 063144 FRAME: 0197

EXHIBIT D, ITEM 1 -- PATENTS

I. APPLICATOR TOOL WITH "BACKSLOPE" UTILITY

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3592.027WO	Applicator Tool, Capable of use with Force Modulating Tissue Bridge, and Associated Systems, Methods and Kits	International	Felmont F. Eaves, III Gary W. Knight Jacob E. Hood	PCT/US22/48359	10/31/22	N/A	Pending

J. VACUUM THERMOFORMING UTILITY

APW No. and "Type"	Title	Jurisdiction	Inventor(s)	Application Serial No.	Filed	Patent No.	Status
3592.034P Provisional	Thermoforming Apparatuses, Machines, Systems, and Methods	United States	Felmont F. Eaves, III Jacob E. Hood Gary W. Knight	63/330,838	04/14/22	N/A	Pending

PATENT

REEL: 063144 FRAME: 0198

EXHIBIT D, ITEM 2 -- MARKS

2. Marks.

A. “BRIJJIT” typed mark

1. United States

- Registration No. 6,23,4362
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10

2. Madrid Protocol

- International Registration (Madrid Protocol) No. 1,469,971
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5
- Protection under this International Registration has been extended to the following geographic areas:
 - Australia
 - China
 - European Union
 - India
 - Japan
 - Republic of Korea

3. Canada

- Registration No. TMA1059255
 - Goods and services: Medical devices for stabilization and closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5

4. United Kingdom

- Registration No. UK00801469971¹
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5

B. “HEAL BEAUTIFULLY” typed mark

1. United States

- Registration Number 6,309,967
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10

2. Madrid Protocol

- International Registration (Madrid Protocol) No. 1,584,613

¹ This mark was originally protected in the U.K. (as part of the European Union) under International Registration 1469971. As of January 1, 2021, this mark was transformed into a U.K. national trademark registration as a result of Brexit.

EXHIBIT D, ITEM 2 -- MARKS

- Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5
- Protection under this International Registration has been extended to the following geographic areas:
 - European Union
 - Japan
 - United Kingdom

C. “THE BRIDGE TO BETTER HEALING” typed mark

1. Madrid Protocol

- International Registration (Madrid Protocol) No. 1,584,601
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5
- Protection under this International Registration has been extended to the following geographic areas:
 - Australia
 - European Union
 - Japan
 - Republic of South Korea

II. PENDING TRADEMARK APPLICATIONS - ACTIVE

A. “HEAL BEAUTIFULLY” typed mark

1. Canada

- Application No. 2,086,323
 - Goods and services: Medical devices for stabilization and closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5

B. “THE BRIDGE TO BETTER HEALING” typed mark

1. United States

- Application Serial No. 90/376158
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10

2. Madrid Protocol

- India: Protection under International Registration (Madrid Protocol) No. 1,584,601 has been requested for India but the request has not yet been finally granted or denied.
 - Goods and services: Medical devices for stabilization, separation or closure of biologic tissue for purposes of wound closure, wound protection, control of tissue

EXHIBIT D, ITEM 2 -- MARKS

tension, wound modulation, dressing of wounds or scar therapy, in Class 10;
Wound dressings; bandages for dressings and skin wounds, in Class 5

3. Canada

- Application No. 2,086,326
 - Goods and services: Medical devices for stabilization and closure of biologic tissue for purposes of wound closure, wound protection, control of tissue tension, wound modulation, dressing of wounds or scar therapy, in Class 10; Wound dressings; bandages for dressings and skin wounds, in Class 5

ii. Internet Domain Names

brijjitmedical.com

SECURITY AGREEMENT

EXHIBIT E

(See Section 3.11 of Security Agreement)

Title documents

I. Vehicles subject to certificates of title:

None.

II. Aircraft/engines/parts, ships, railcars, and other vehicles governed by federal statute:

None.

SECURITY AGREEMENT

EXHIBIT F

(See Section 3.11 of Security Agreement)

Fixtures

- I. Legal description, county, and street address of property on which Fixtures are located, with each location listed by Borrower:
- (i) PARCEL 3: (BUILDINGS 375 AND 425 PARCEL)

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOTS 576, LAND LOT 577, AND LAND LOT 578, OF THE 17TH DISTRICT, 2ND SECTION, COBB COUNTY, GEORGIA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TO FIND THE POINT OF BEGINNING, COMMENCE AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF THE SOUTH MARIETTA 120 LOOP (165 FOOT RIGHT-OF-WAY AT THIS POINT) WITH THE EAST RIGHT-OF-WAY LINE OF FRANKLIN ROAD (FORMERLY DICK DOBBS ROAD) (FRANKLIN ROAD HAVING A 96 FOOT RIGHT-OF-WAY AT THIS POINT);

AND RUNNING IN A NORTHERLY DIRECTION ALONG THE EAST RIGHT-OF-WAY OF FRANKLIN ROAD THE FOLLOWING COURSES AND DISTANCES; NORTH 13 DEGREES 57 MINUTES 58 SECONDS WEST 63.49 FEET; THENCE ALONG A CURVE AN ARC DISTANCE OF 153.76 FEET (SAID ARC HAVING A RADIUS OF 1785.51 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 10 DEGREES 12 MINUTES 44 SECONDS WEST A DISTANCE OF 153.71 FEET);

THENCE NORTH 07 DEGREES 49 MINUTES 19 SECONDS WEST 191.61 FEET TO THE POINT OF BEGINNING;

THENCE FROM SAID POINT OF BEGINNING THUS ESTABLISHED, RUN SOUTH 59 DEGREES 22 MINUTES 37 SECONDS WEST ALONG THE RIGHT-OF-WAY TRANSITION LINE FROM AN 88 FOOT RIGHT-OF-WAY (FRANKLIN ROAD) 8.68 FEET;

THENCE RUNNING IN A NORTHERLY DIRECTION ALONG THE EAST RIGHT-OF-WAY LINE OF FRANKLIN ROAD (80 FOOT RIGHT-OF-WAY) THE FOLLOWING COURSES AND DISTANCES: NORTH 07 DEGREES 49 MINUTES 19 SECONDS WEST 120.03 FEET;

THENCE ALONG A CURVE AN ARC DISTANCE OF 409.67 FEET (SAID ARC HAVING A RADIUS OF 615.00 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 26 DEGREES 54 MINUTES 19 SECONDS WEST A DISTANCE OF 402.14 FEET);

THENCE NORTH 45 DEGREES 59 MINUTES 19 SECONDS WEST 111.00 FEET;

THENCE ALONG A CURVE AN ARC DISTANCE OF 326.81 FEET (SAID ARC HAVING A RADIUS OF 535.00 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 28 DEGREES 29 MINUTES 19 SECONDS WEST A DISTANCE OF 321.76 FEET);

THENCE ALONG A CURVE AN ARC DISTANCE OF 404.07 FEET (SAID ARC HAVING A RADIUS OF 553.18 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 31 DEGREES 54 MINUTES 51 SECONDS WEST A DISTANCE OF 395.14 FEET), SAID POINT BEING THE INTERSECTION OF THE EASTERLY RIGHT-OF-WAY OF FRANKLIN ROAD (80 FOOT RIGHT-OF-WAY) WITH THE WESTERLY RIGHT-OF-WAY OF INTERSTATE 75;

THENCE IN A SOUTHERLY DIRECTION ALONG THE WESTERLY RIGHT-OF-WAY OF I-75 THE FOLLOWING COURSES AND DISTANCES: SOUTH 52 DEGREES 50 MINUTES 23 SECONDS EAST 695.82 FEET; THENCE SOUTH 40 DEGREES 09 MINUTES 06 SECONDS EAST 701.06 FEET;

THENCE LEAVING THE RIGHT-OF-WAY OF I-75 SOUTH 59 DEGREES 22 MINUTES 37 SECONDS WEST 416.73 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT FROM PARCEL 3 PROPERTY ACQUIRED PURSUANT TO ORDER AND JUDGMENT ENTERED IN DOCKET NO. 14-1-8773-99, SUPERIOR COURT OF COBB COUNTY, GEORGIA, STYLED DEPARTMENT OF TRANSPORTATION VS. 0.252 ACRES OF LAND; CERTAIN ACCESS RIGHTS AND CERTAIN EASEMENT RIGHTS; AND CROWN-GEORGIA I, LLC; BANK OF AMERICA, N.A., ET AL, DATED NOVEMBER 6, 2014, FILED FOR RECORD NOVEMBER 6, 2014, AND RECORDED.

- (ii) Cobb County, Georgia.
- (iii) 425 Franklin Gateway SE, Suite 560, Marietta, GA 30067.
- (iv) Name and Address of Record Owner:

Cobb Commerce Center LLC, a Florida limited liability company
c/o Lincoln Property Company
ATTN: Anita Scarborough
2970 Clairmont Road NE, Suite 180
Brookhaven, GA 30329

Email: ascarborough@lpc.com

SECURITY AGREEMENT

EXHIBIT G

(See Section 3.13 of Security Agreement and Definition of “Pledged Collateral”)

List of Pledged Collateral, Securities and Other Investment Property

I. Stocks

None.

II. Bonds

None.

III. Government Securities

None.

IV. Other Securities Or Other Investment Property (certificated and uncertificated)

None.

SECURITY AGREEMENT

EXHIBIT H

(See Section 3.1 of Security Agreement)

Offices in which financing statements will be filed:

Georgia Superior Court Clerk's Cooperative Authority, for Borrower.

United States Patent and Trademark Office for Borrower.

Clerk of Superior Court for Cobb County, Georgia for Fixtures for Borrower

SECURITY AGREEMENT

EXHIBIT I

(See Definition of “Commercial Tort Claim”)

Commercial Tort Claims

{NOTE: SPECIFICALLY DESCRIBE THE CLAIM (i.e. parties, description of the dispute, case number – if available) - see official comment 5 to section 9-108 of the UCC}.

None.

SECURITY AGREEMENT

EXHIBIT J
(See Section 4.8 of Security Agreement)

AMENDMENT

This Amendment, dated _____, is delivered pursuant to Section 4.8 of the Security Agreement referred to below. All defined terms herein shall have the meanings ascribed thereto or incorporated by reference in the Security Agreement. The undersigned hereby certifies that the representations and warranties in Section 3 of the Security Agreement are and continue to be true and correct. The undersigned further agrees that this Amendment may be attached to that certain Security Agreement, dated February 16, 2023, by and between the undersigned Borrower and Emrge, LLC, as the Lender, (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “**Security Agreement**”) and that the Collateral listed on Schedule I to this Amendment shall be and become a part of the Collateral referred to in said Security Agreement and shall secure all Secured Obligations referred to in the Security Agreement.

Borrower:
Brijjit Medical, Inc.

By: _____
Name:
Title:

SECURITY AGREEMENT

SCHEDULE I TO AMENDMENT TO SECURITY AGREEMENT

Commercial Tort Claims

{NOTE: SPECIFICALLY DESCRIBE THE CLAIM (i.e. parties, description of the dispute, case number – if available) - see official comment 5 to section 9-108 of the UCC}.

Name of Borrower	Description of Claim	Parties	Case Number; Name of Court where Case was Filed