

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Privaris, Inc.		11/08/2007	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Harbert Venture Partners, LLC as Purchaser Representative
Street Address:	1210 East Cary Street, Suite 400
City:	Richmond
State/Country:	VIRGINIA
Postal Code:	23219
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

PROPERTY NUMBERS Total: 8

Property Type	Number	Word Mark
Registration Number:	2938949	PRIVARIS
Registration Number:	3184330	PRIVARIS
Serial Number:	78880987	BIOBASE
Serial Number:	78881804	TRUPASS
Serial Number:	78887313	PLUSID
Serial Number:	78880982	TRUEPASS
Registration Number:	3237869	BPID
Serial Number:	78880980	UTRUST

CORRESPONDENCE DATA

Fax Number: (919)781-4865
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 919-781-4000
 Email: rjones@wyrick.com
 Correspondent Name: Robert T. Jones Jr., Paralegal
 Address Line 1: 4101 Lake Boone Trail

OP \$215.00 2938949

Address Line 2: Suite 300
Address Line 4: Raleigh, NORTH CAROLINA 27607

ATTORNEY DOCKET NUMBER:	18097.03
NAME OF SUBMITTER:	Robert T. Jones Jr.
Signature:	/rtj/
Date:	11/09/2007

Total Attachments: 15

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (the "Agreement") is made this 8th day of November 2007, by and among **PRIVARIS, INC.**, a Delaware corporation ("Company"), the persons and entities named on the Schedule of Purchasers set forth on Exhibit A to that certain Senior Secured Convertible Note and Warrant Purchase Agreement dated as of the date hereof (the "Purchase Agreement") (collectively and individually, the "Purchaser"), and **HARBERT VENTURE PARTNERS, LLC**, as the representative of the Purchaser (the "Purchaser Representative").

WITNESSETH:

WHEREAS, pursuant to the Purchase Agreement, Company has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from Company certain Senior Secured Convertible Promissory Notes (the "Notes"); and

WHEREAS, to induce the Purchaser to purchase the Notes, Company has agreed to execute and deliver to the Purchaser this Agreement and a Security Agreement (the "Security Agreement") dated as of the date hereof for the benefit of the Purchaser and to grant to the Purchaser the highest available security interest in certain property of Company to secure the Secured Obligations (as defined below); and

WHEREAS, pursuant to a Loan and Security Agreement dated November 17, 2006 between Silicon Valley Bank (the "Bank") and Company, as amended, and an Intellectual Property Security Agreement dated as of the date hereof between the Bank and Company, the Bank has a first priority security interest in Company's assets. Pursuant to that Subordination Agreement dated as of the date hereof, among Company, the Bank and the Purchaser, the Purchaser has agreed to subordinate its debt and lien position to the Bank's debt and lien position.

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

AGREEMENT

1. Secured Obligations. This Agreement is given to secure the due and punctual payment of the principal of and interest on the Notes issued pursuant to the Purchase Agreement and the due and punctual performance of all other obligations under the Notes, now existing and hereafter arising, including future advances (and additional Notes issued pursuant to the Purchase Agreement in respect thereof), together with any extensions and renewals of the foregoing obligations and reasonable attorneys' fees if collected by or through an attorney-at-law (collectively the "Secured Obligations").

2. Collateral. As security for the due and punctual payment and performance by Company of the Secured Obligations, Company hereby grants to the Purchaser the highest available security interest in all of Company's right, title and interest in, to and under its Intellectual Property (as defined herein) (including without limitation those Copyrights, Patents

and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof (the "Intellectual Property Collateral").

As used herein, the following terms shall have the following meanings:

"Copyrights" are all copyright rights, applications or registrations and like protections in each work or authorship or derivative work, whether published or not (whether or not it is a trade secret) now or later existing, created, acquired or held.

"Intellectual Property" shall include all Copyrights, Trademarks and Patents of Company, any trade secrets and any intellectual property rights in computer software and computer software products now or later existing, created, acquired or held by Company, and all design rights which may be available to Company now or later created, acquired or held by Company.

"Patents" are patents, patent applications and like protections, including improvements, divisions, continuations, renewals, reissues, extensions and continuations in part of the same.

"Trademarks" are trademark and service mark rights, registered or not, applications to register and registrations and like protections, and the entire goodwill of the business of Company connected with the trademarks.

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

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


5. Amendment. This Agreement may be amended only in a writing signed by both Company and the Purchaser Representative, and any amendment so effected shall be binding

upon Company and Purchaser; provided, however, that any such amendment or waiver that disproportionately affects any of the holders of the then-outstanding Notes shall require the written consent of all such disproportionately affected holders. Notwithstanding anything to the contrary in this Section, Company shall be entitled to include additional purchasers of Notes pursuant to the terms of the Purchase Agreement as Purchaser party to this Agreement, provided that such purchasers shall execute appropriate signature pages to this Agreement and other related agreements.

[SIGNATURE PAGE TO FOLLOW]

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

COMPANY: PRIVARIS, INC.

By: 
John Patoc, President and CEO

PURCHASER REPRESENTATIVE: HARBERT VENTURE PARTNERS, LLC

By: Harbert Venture Partners MM, LLC, its Managing Member

By: HMC – Virginia, Inc., its Sole Manager

By: _____
Name: Wayne L. Hunter
Title: Vice President

PURCHASER: HARBERT VENTURE PARTNERS, LLC

By: Harbert Venture Partners MM, LLC, its Managing Member

By: HMC – Virginia, Inc., its Sole Manager

By: _____
Name: Wayne L. Hunter
Title: Vice President

NORO-MOSELEY PARTNERS V, L.P.

By: Moseley & Company V, L.L.C., its General Partner

By: _____
Name: _____
Title: _____

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

COMPANY: PRIVARIS, INC.

By: _____
John Petze, President and CEO

PURCHASER REPRESENTATIVE:

HARBERT VENTURE PARTNERS, LLC

By: Harbert Venture Partners MM, LLC, its Managing Member

By: HMC - Virginia, Inc, its Sole Manager

By: _____
Name: Wayne L. Hunter
Title: Vice President

PURCHASER:

HARBERT VENTURE PARTNERS, LLC

By: Harbert Venture Partners MM, LLC, its Managing Member

By: HMC - Virginia, Inc, its Sole Manager

By: _____
Name: Wayne L. Hunter
Title: Vice President

NORO-MOSELEY PARTNERS V, L.P.

By: Moseley & Company V, L.L.C., its General Partner

By: _____
Name: _____
Title: _____

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

COMPANY: PRIVARIS, INC.

By: _____
John Petze, President and CEO

PURCHASER REPRESENTATIVE: HARBERT VENTURE PARTNERS, LLC

By: Harbert Venture Partners MM, LLC, its Managing Member

By: HMC - Virginia, Inc., its Sole Manager

By: _____
Name: Wayne L. Hunter
Title: Vice President

PURCHASER: HARBERT VENTURE PARTNERS, LLC


By: Harbert Venture Partners MM, LLC, its Managing Member

By: HMC - Virginia, Inc., its Sole Manager

By: _____
Name: Wayne L. Hunter
Title: Vice President

NORO-MOSELEY PARTNERS V, L.P.

By: Moseley & Company V, L.L.C., its General Partner


By: 
Name: Charles H. Johnson
Title: Member

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

PURCHASER
(Continued):

NORO-MOSELEY PARTNERS V-B, L.P.

By: ~~Moseley & Company V.L.L.C.~~, its General Partner

By: 
Name: Charles A. Johnson
Title: Member

REDSHIFT VENTURES III, LP

By: RedShift Ventres II G.P., L.L.C., its General Partner

By: _____
Name: _____
Title: _____

RIVER CITIES SBIC III, LP

By: RCCF MANAGEMENT, INC., its General Partner

By: _____
Name: _____
Title: _____

Ernest S. Knighton, Individually

if an individual:

[Printed or Typed Name]

By: _____
(Signature)

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

PURCHASER

(Continued):

NORO-MOSELEY PARTNERS V-B, L.P.

By: Moseley & Company V, L.L.C., its General Partner

By: _____
Name: _____
Title: _____

REDSHIFT VENTURES III, LP

By: RedShift Ventres II G.P., L.L.C., its General Partner

By:  _____
Name:  _____
Title:  _____

RIVER CITIES SBIC III, LP

By: RCCF MANAGEMENT, INC., its General Partner

By: _____
Name: _____
Title: _____

Ernest S. Knighton, Individually

if an individual:

[Printed or Typed Name]

By: _____
(Signature)

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

PURCHASER
(Continued):

NORO-MOSELEY PARTNERS V-B, L.P.

By: Moseley & Company V, L.L.C., its General Partner

By: _____
Name: _____
Title: _____

REDSHIFT VENTURES III, LP

By: RedShift Ventres II G.P., L.L.C., its General Partner

By: _____
Name: _____
Title: _____

RIVER CITIES SBIC III, LP

By: RCCF MANAGEMENT, INC., its General Partner

By: Edmund T. Robinson
Name: Edmund T. Robinson
Title: President

Ernest S. Knighton, Individually

if an individual:

[Printed or Typed Name]

By: _____
(Signature)

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

PURCHASER
(Continued):

NORO-MOSELEY PARTNERS V-B, L.P.

By: Moseley & Company V, L.L.C., its General Partner

By: _____
Name: _____
Title: _____

REDSHIFT VENTURES III, LP

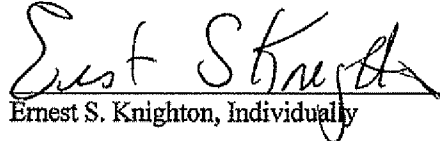
By: RedShift Ventres II G.P., L.L.C., its General Partner

By: _____
Name: _____
Title: _____

RIVER CITIES SBIC III, LP

By: RCCF MANAGEMENT, INC., its General Partner

By: _____
Name: _____
Title: _____


Ernest S. Knighton, Individually

if an individual:

[Printed or Typed Name]

By: _____
(Signature)

SCHEDULE A

Copyrights

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
NONE	N/A	N/A

SCHEDULE B

Patents

Privaris Patent Portfolio			
Application Serial No.	Country	Filing Date	Title
2,392,229	Canada	11/29/00	Methods, Systems, and Apparatuses for Secure Transactions
00992162.8	European Union	11/29/00	Methods, Systems, and Apparatuses for Secure Transactions
10/148,512	United States	5/30/02	Methods, Systems and Apparatuses for Secure Transactions
2,494,299	Canada	8/6/03	Methods for Secure Enrollment and Backup of Personal Identity Credentials Into Electronic Devices
03767206.0	European Union	8/6/03	Methods for Secure Enrollment and Backup of Personal Identity Credentials Into Electronic Devices
2004-526454	Japan	8/6/03	Methods for Secure Enrollment and Backup of Personal Identity Credentials Into Electronic Devices
10/635,762	United States	8/6/03	Methods for Secure Enrollment and Backup of Personal Identity Credentials Into Electronic Devices
2,491,662	Canada	7/17/03	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
03764535.5	European Union	7/14/03	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
2004-521709	Japan	7/14/03	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
10/618,951	United States	7/14/03	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
2,527,829	Canada	6/1/04	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
04753978.8	European Union	6/1/04	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
2006-533547	Japan	6/1/04	Personal Authentication Software and Systems for Travel Privilege Assignment and Verification
10/858,287	United States	6/1/04	An In-Circuit Security System and Methods for Controlling Access to and Use of Sensitive Data
2,527,836	Canada	6/1/04	An In-Circuit Security System and Methods for Controlling Access to and Use of Sensitive Data
04753980.4	European Union	6/1/04	An In-Circuit Security System and Methods for Controlling Access to and Use of Sensitive Data
2006-533548	Japan	6/1/04	An In-Circuit Security System and Methods for Controlling Access to and Use of Sensitive Data
10/997,291	United States	11/24/04	Man-Machine Interface for Controlling Access to

Privaris Patent Portfolio			
Application. Serial No.	Country	Filing Date	Title
			Electronic Devices
04776220.8	European Union	6/1/04	Personal Authentication and Systems for Travel Privelege Assigation and Verification
2,527,826	Canada	6/1/04	Personal Authentication and Systems for Travel Privelege Assigation and Verification
2006-533545	Japan	6/1/04	Personal Authentication and Systems for Travel Privelege Assigation and Verification
10/858,336	United States	6/1/04	System and Methods for Assigation and Use of Media Content Subscription Service Privileges
	Canada	3/24/06	Biometric Identification Device with Smart Card Capabilities
06748689.4	European Union	3/24/06	Biometric Identification Device with Smart Card Capabilities
	Japan	3/24/06	Biometric Identification Device with Smart Card Capabilities
11/389,387*	United States	3/24/06	Biometric Identification Device with Smart Card Capabilities
29/281,436	United States	6/22/07	Biometric Identification Device
D511,114	United States	11/01/05	Attachable Biometric Personal Identification Device
D511,113	United States	11/01/05	Biometric Personal Identification Device
5,481,265	United States	1/02/96	Ergonomic Customizeable User/Computer Interface Devices
5,729,220	United States	03/17/98	Ergonomic Customizable User/Computer Interface Device
6,201,484	United States	03/13/01	Ergonomic Customizeable User/Computer Interface Device
6,441,770	United States	08/27/02	Ergonomic Customizeable User/Computer Interface Devices
10/858290	United States	06/01/2004 Abandoned	Man-machine interface for controlling access to electronic devices

* Each of the inventors has executed an assignment, the assignment has been filed with the USPTO, but such assignment has not been recorded by the USPTO as of the date of this Intellectual Property Security Agreement.

SCHEDULE C

Trademarks

Privaris Trademark Portfolio			
Application or Registration Number	Trademark	Country	Filing or Registration Date
Registration No. 2,938,949	PRIVARIS	United States	Registered April 5, 2005
Registration No. 3,184,330	PRIVARIS	United States	Registered December 12, 2006
Application No. 78/880,987	BIOBASE	United States	Filed May 10, 2006 Notice of Allowance March 20, 2007
Application No. 78/881,804	TRUPASS	United States	Filed May 11, 2006 Notice of Allowance March 20, 2007
Application No. 78/887,313	PLUSID	United States	Filed May 18, 2006 Notice of Allowance April 17, 2007
Application No. 78/880,982	TRUEPASS	United States	Filed May 10, 2006 Notice of Allowance March 20, 2007
Registration No. 3237869	BPID	United States	Registered May 1, 2007
Application No. 78/880,980	UTRUST	United States	Filed May 10, 2006 Notice of Allowance March 20, 2007
Application No. 130588000	BIOBASE	Canada	Filed June 19, 2006 (claiming May 10, 2006 priority date)
Application No. 130587600	PRIVARIS	Canada	Filed June 19, 2006 Notice of Allowance August 3, 2007
Application No. 130587900	PRIVARIS	Canada	Filed June 19, 2006

Privaris Trademark Portfolio			
Application or Registration Number	Trademark	Country	Filing or Registration Date
Application No. 130587700	PLUSID	Canada	Filed June 19, 2006 (claiming May 18, 2006 priority date)
Registration No. 5315205	PLUSID	European Union	Registered 8/29/06 (claiming May 18, 2006 priority date) Grant Date August 23, 2007
Registration No. 5218920	PRIVARIS	European Union	Registered July 10, 2006 Grant Date June 28, 2007
Registration No. 5218912	BIOBASE	European Union	Registered July 10, 2006 (claiming May 10, 2006 priority date) Grant Date June 21, 2007
78880979	I-TRUST	United States	Filed May 10, 2006 Abandoned
78887316	+ID	United States	Filed May 18, 2006 Abandoned
78880985	U-PASS	United States	Filed May 10, 2006 Abandoned
78239552	BPIDPLUS	United States	Filed April 18, 2003 Abandoned