

Form PTO-1594 (Rev. 07/05)  
 OMB Collection 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE  
 United States Patent and Trademark Office

**RECORDATION FORM COVER SHEET  
 TRADEMARKS ONLY**

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

<p><b>1. Name of conveying party(ies):</b>                  ZIPIT WIRELESS, INC.</p> <p><input type="checkbox"/> Individual(s)                      <input type="checkbox"/> Association  <input type="checkbox"/> General Partnership              <input type="checkbox"/> Limited Partnership  <input checked="" type="checkbox"/> Corporation- State: <u>DELAWARE</u>  <input type="checkbox"/> Other _____</p> <p>Citizenship (see guidelines) _____</p> <p>Additional names of conveying parties attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p><b>2. Name and address of receiving party(ies)</b>                      <input type="checkbox"/> Yes                  Additional names, addresses, or citizenship attached?                      <input checked="" type="checkbox"/> No</p> <p>Name: <u>Square 1 Bank</u>                  Internal                  Address: <u>Lee Conner</u>                  Street Address: <u>406 Blackwell Street, Suite 240</u>                  City: <u>Durham</u>                  State: <u>NC</u>                  Country: <u>US</u>                      Zip: <u>27701</u></p> <p><input type="checkbox"/> Association    Citizenship _____  <input type="checkbox"/> General Partnership    Citizenship _____  <input type="checkbox"/> Limited Partnership    Citizenship _____  <input checked="" type="checkbox"/> Corporation    Citizenship <u>North Carolina</u>  <input type="checkbox"/> Other _____    Citizenship _____</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No                  (Designations must be a separate document from assignment)</p>
<p><b>3. Nature of conveyance )/Execution Date(s) :</b></p> <p>Execution Date(s) <u>May 29, 2008</u></p> <p><input type="checkbox"/> Assignment                      <input type="checkbox"/> Merger  <input checked="" type="checkbox"/> Security Agreement              <input type="checkbox"/> Change of Name  <input type="checkbox"/> Other _____</p>	<p><b>4. Application number(s) or registration number(s) and identification or description of the Trademark.</b></p> <p>A. Trademark Application No.(s)  <u>76/683,066</u></p> <p>B. Trademark Registration No.(s)  <u>3,071,592 as more fully described in Exhibit C</u></p> <p>as more fully described in Exhibit C</p> <p style="text-align: right;">Additional sheet(s) attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):</p>
<p><b>5. Name &amp; address of party to whom correspondence concerning document should be mailed:</b></p> <p>Name: <u>Lee Conner</u>                  Internal Address: <u>Square 1 Bank</u>                  Street Address: <u>406 Blackwell St</u>  <u>Suite 240</u>                  City: <u>Durham</u>                  State: <u>NC</u>                      Zip: <u>27701</u>                  Phone Number: <u>919-314-3099</u>                  Fax Number: <u>919-354-1278</u> - NEW                  Email Address: <u>loandocsdept@square1bank.com</u></p>	<p><b>6. Total number of applications and registrations involved:</b>                      <span style="border: 1px solid black; padding: 2px 10px;">2</span></p> <p><b>7. Total fee (37 CFR 2.6(b)(6) &amp; 3.41)    \$ 65</b></p> <p><input type="checkbox"/> Authorized to be charged by credit card  <input checked="" type="checkbox"/> Authorized to be charged to deposit account  <input type="checkbox"/> Enclosed</p> <p><b>8. Payment Information:</b></p> <p>a. Credit Card    Last 4 Numbers _____                  Expiration Date _____</p> <p>b. Deposit Account Number <u>50-3822</u>                  Authorized User Name <u>Lee Conner</u></p>
<p><b>9. Signature:</b> _____                      <u>05/30/08</u>                  _____                      Date                  _____                      Signature                  _____                      Name of Person Signing                      <span style="border: 1px solid black; padding: 2px 10px;">6</span></p> <p style="text-align: right;">Total number of pages including cover sheet, attachments, and document:</p>	

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Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
 Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

EXHIBIT C  
TRADEMARKS

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
ZIPIT	3,071,592	03/21/2006
[.Z.]	76/683,066	10/18/2007

square 1 bank



**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of May 29, 2008 by and between SQUARE 1 BANK ("Bank") and Zipit Wireless, Inc., a Delaware corporation ("Grantor").

**RECITALS**

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement).

B. Bank is willing to extend and to continue to extend financial accommodations to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

**AGREEMENT**

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Bank and Grantor, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Exhibits 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.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and

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concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

200 North Main Street, Suite 300  
Greenville, SC 29601

ZIPIT WIRELESS, INC.

By: Frank Greer  
Frank Greer

Title: President / Chief Executive Officer

BANK:

Address of Bank:

406 Blackwell Street, Suite 240  
Durham, NC 27701  
Attn: Loan Documentation Department

SQUARE 1 BANK

By: AUP  
AUP

SQUARE 1 BANK



EXHIBIT A  
COPYRIGHTS

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
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**EXHIBIT B**

**PATENTS**

<u>Description</u>	<u>Registration OR Serial Number</u>	<u>Registration OR Filing Date</u>
Instant messaging terminal adapted for Wi-Fi access points	7,292,870	11/06/2007

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