

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
Trax Holdings Incorporated		04/06/2011	CORPORATION: ARIZONA
RECEIVING PARTY DATA			
Name:	Capital Southwest Corporation		
Street Address:	2900 Preston Road, Suite 700		
City:	Dallas		
State/Country:	TEXAS		
Postal Code:	75230		
Entity Type:	CORPORATION: TEXAS		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3559604	TRAX	
Registration Number:	3710813	TRAX	
CORRESPONDENCE DATA			
Fax Number:	(214)756-8779		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	214-740-8779		
Email:	RNail@lockelord.com		
Correspondent Name:	Robert E. Nail, Esq.		
Address Line 1:	2200 Ross Avenue, Suite 2200		
Address Line 4:	Dallas, TEXAS 75201-6776		
ATTORNEY DOCKET NUMBER:	0041378.00000		
NAME OF SUBMITTER:	Robert E. Nail		
Signature:	/Robert E. Nail/		
Date:	05/19/2011		

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Total Attachments: 11

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SECURITY AGREEMENT

This Security Agreement (as amended, modified or otherwise supplemented from time to time, this "Security Agreement"), dated as of April 6, 2011, is executed by Trax Holdings, Incorporated, an Arizona corporation (together with its successors and assigns, the "Company"), in favor of Capital Southwest Corporation, a Texas corporation ("Lender").

RECITALS

A. Company and Lender have entered into a Secured Note Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"), pursuant to which the Company has issued a secured convertible promissory note (as amended, modified or otherwise supplemented from time to time, (the "Note") in an aggregate principal amount of up \$3,200,000, in favor of Lender.

B. In order to induce Lender to extend the credit evidenced by the Note, Company has agreed to enter into this Security Agreement and to grant Lender, the security interest in the Collateral described below.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Company hereby agrees with Lender as follows:

1. Definitions and Interpretation. When used in this Security Agreement, the following terms have the following respective meanings:

"Collateral" has the meaning given to that term in Section 2 hereof.

"Obligations" means all loans, advances, debts, liabilities and obligations, howsoever arising, owed by Company to Lender of every kind and description (whether or not evidenced by any note or instrument and whether or not for the payment of money), now existing or hereafter arising under or pursuant to the terms of the Note and the other Transaction Documents, including, all interest, fees, charges, expenses, attorneys' fees and costs and accountants' fees and costs chargeable to and payable by Company hereunder and thereunder, in each case, whether direct or indirect, absolute or contingent, due or to become due, and whether or not arising after the commencement of a proceeding under Title 11 of the United States Code (11 U.S.C. Section 101 et seq.), as amended from time to time (including post-petition interest) and whether or not allowed or allowable as a claim in any such proceeding.

"Permitted Liens" means (a) Liens for taxes and other government charges not yet delinquent or Liens for taxes being contested in good faith and by appropriate proceedings for which adequate reserves have been established; (b) Liens in respect of property or assets imposed by law which were incurred in the ordinary course of business, such as carriers', warehousemen's, materialmen's and mechanics' Liens and other similar Liens arising in the

ordinary course of business which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings; (c) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, and landlord's Liens, mechanic's Liens, carrier's Liens and other Liens to secure lease obligations, the performance of tenders, statutory obligations, contract bids, government contracts, performance and return of money bonds and other similar obligations, incurred in the ordinary course of business, whether pursuant to statutory requirements, common law or consensual arrangements; (d) Liens in favor of the Lender; (e) any Liens existing on the date of this Security Agreement, including without limitation, the Lien held by Partners for Growth III, L.P. ("PFG"); (f) Liens (i) upon or in any equipment acquired or held by the Company to secure the purchase price of such equipment or indebtedness incurred solely for the purpose of financing the acquisition of such equipment or (ii) existing on such equipment at the time of its acquisition, provided that the Lien is confined solely to the equipment so acquired, improvements thereon and the proceeds of such equipment; (g) any non-exclusive (or exclusive, if such exclusivity is limited solely to certain geographic territories) right, title or interest of a licensor under a license granted in the ordinary course of the Company's business; and (h) easements, reservations, rights-of-way, restrictions, minor defects or irregularities in title and other similar Liens affecting real property not interfering in any material respect with the ordinary conduct of the business of the Company.

"UCC" means the Uniform Commercial Code as in effect in the State of Arizona from time to time.

All capitalized terms not otherwise defined herein shall have the respective meanings given in the Note or, if not defined in the Note, as defined in the UCC.

2. Grant of Security Interest. As security for the Obligations, Company hereby pledges to Lender a security interest of second priority (second only to the Liens held by PFG) in all right, title and interests of Company in and to the property described in Attachment 1 hereto, whether now existing or hereafter from time to time acquired (collectively, the "Collateral"), subject to that certain Subordination Agreement of even date herewith by and between the Company, Lender and PFG (the "Subordination Agreement").

3. General Representations and Warranties. Company represents and warrants to Lender that (a) Company is the owner of the Collateral (or, in the case of after-acquired Collateral, at the time Company acquires rights in the Collateral, will be the owner thereof) and that no other Person has (or, in the case of after-acquired Collateral, at the time Company acquires rights therein, will have) any right, title, claim or interest (by way of Lien or otherwise) in, against or to the Collateral, other than Permitted Liens; (b) upon the filing of UCC-1 financing statements in the appropriate filing offices, Lender has (or in the case of after-acquired Collateral, at the time Company acquires rights therein, will have) a perfected security interest in the Collateral to the extent that a security interest in the Collateral can be perfected by such filing, except for Permitted Liens; (c) all Inventory has been (or, in the case of hereafter produced Inventory, will be) produced in compliance with applicable laws, including the Fair Labor Standards Act; (d) all accounts receivable and payment intangibles are genuine and enforceable against the party obligated to pay the same; (e) the originals of all documents evidencing all accounts receivable and payment intangibles of Company and the only original

books of account and records of Company relating thereto are, and will continue to be, kept at the chief executive office of Company or at such other locations as Company may establish in accordance with Section 5(d); and (f) all information set forth in Schedule A hereto is true and correct.

4. Representations and Warranties regarding Intellectual Property. Company represents and warrants to Lender that: (a) Company does not own any patents, trademarks, copyrights or mask works registered in, or the subject of pending applications in, the United States Patent and Trademark Office or the United States Copyright Office or any similar offices or agencies in any other country or any political subdivision thereof, other than those described on Schedule A hereto; (b) Company has, except for Permitted Liens, the sole, full and unencumbered right, title and interest in and to the trademarks shown on Schedule A and the goods and services covered by the registrations thereof and, to the extent registered, such registrations are valid and enforceable and in full force and effect; (c) Company has, except for Permitted Liens, the sole, full and unencumbered right, title and interest in and to each of the patents shown on Schedule A and the registrations thereof are valid and enforceable and in full force and effect; and (d) Company has, except for Permitted Liens, the sole, full and unencumbered right, title and interest in and to each of the registered copyrights shown on Schedule A and according to the records of the United States Copyright Office, each of said copyrights is valid and enforceable and in full force and effect.

5. Covenants Relating to Collateral. Company hereby agrees (a) to perform all acts that may be necessary to maintain, preserve, protect and perfect the Collateral, the Lien granted Lender herein and the perfection and priority of such Lien, except for Permitted Liens; (b) not to use or permit any Collateral to be used (i) in violation in any material respect of any applicable law, rule or regulation, or (ii) in violation of any policy of insurance covering the Collateral; (c) to pay promptly when due all taxes and other governmental charges, all Liens and all other charges now or hereafter imposed upon or affecting any Collateral; (d) without 30 days' written notice to Lender, (i) not to change Company's name or place of business (or, if Company has more than one place of business, its chief executive office), or the office in which Company's records relating to accounts receivable and payment intangibles are kept and (ii) not to change Company's state of incorporation, (f) to procure, execute and deliver from time to time any endorsements, assignments, financing statements and other writings reasonably deemed necessary or appropriate by Lender to perfect, maintain and protect its Lien hereunder and the priority thereof and to deliver promptly upon the request of Lender all originals of Collateral consisting of instruments; (g) to appear in and defend any action or proceeding which may affect its title to or Lender's interest in the Collateral; (h) if Lender gives value to enable Company to acquire rights in or the use of any Collateral, to use such value for such purpose; (i) to keep separate, accurate and complete records of the Collateral and to provide Lender with such records and such other reports and information relating to the Collateral as Lender may reasonably request from time to time; (j) not to surrender or lose possession of (other than to Lender), sell, encumber, lease, rent, or otherwise dispose of or transfer any Collateral or right or interest therein, and to keep the Collateral free of all Liens except Permitted Liens; provided that Company may sell, lease, transfer, license or otherwise dispose of any of the Collateral in the ordinary course of business consisting of non-exclusive licenses and similar arrangements for the use of the property of Company; (k) if requested by Lender, to type, print or stamp conspicuously on the face of all original copies of all Collateral consisting of chattel paper a

legend satisfactory to Lender indicating that such chattel paper is subject to the security interest granted hereby; (l) to collect, enforce and receive delivery of the accounts receivable and payment intangibles in accordance with past practice until otherwise notified by Lender; (m) to comply with all material requirements of law relating to the production, possession, operation, maintenance and control of the Collateral (including the Fair Labor Standards Act) and (n) to permit Lender and its representatives the right, at any time during normal business hours, upon reasonable prior notice, to visit and inspect the properties of Company and its corporate, financial and operating records, and make abstracts therefrom, and to discuss Company's affairs, finances and accounts with its directors, officers and independent public accountants, if any.

6. Authorized Action by Lender. Company hereby irrevocably appoints Lender as its attorney-in-fact (which appointment is coupled with an interest) and agrees that Lender may perform (but Lender shall not be obligated to and shall incur no liability to Company or any third party for failure so to do) any act which Company is obligated by this Security Agreement to perform, and to exercise such rights and powers as Company might exercise with respect to the Collateral, including the right to (a) collect by legal proceedings or otherwise and endorse, receive and receipt for all dividends, interest, payments, proceeds and other sums and property now or hereafter payable on or on account of the Collateral; (b) enter into any extension, reorganization, deposit, merger, consolidation or other agreement pertaining to, or deposit, surrender, accept, hold or apply other property in exchange for the Collateral; (c) make any compromise or settlement, and take any action it deems advisable, with respect to the Collateral; (d) insure, process and preserve the Collateral; (e) pay any indebtedness of Company relating to the Collateral; and (f) file UCC financing statements and notices with the United States Patent and Trademark Office and execute other documents, instruments and agreements required hereunder; provided, however, that Lender shall not exercise any such powers granted pursuant to subsections (a) through (e) prior to the occurrence of an Event of Default (as defined in the Notes) and shall only exercise such powers during the continuance of an Event of Default. Company agrees to reimburse Lender upon demand for any reasonable costs and expenses, including attorneys' fees, Lender may incur while acting as Company's attorney-in-fact hereunder, all of which costs and expenses are included in the Obligations. It is further agreed and understood between the parties hereto that such care as Lender gives to the safekeeping of its own property of like kind shall constitute reasonable care of the Collateral when in Lender's possession; provided, further, however, that Lender shall not be required to make any presentment, demand or protest, or give any notice and need not take any action to preserve any rights against any prior party or any other person in connection with the Obligations or with respect to the Collateral.

7. Litigation and Other Proceedings.

(a) Company shall have the right and obligation to commence and diligently prosecute such suits, proceedings or other actions for infringement or other damage, or reexamination or reissue proceedings, or opposition or cancellation proceedings as are reasonable to protect any of the patents, trademarks, copyrights, mask works or trade secrets of the Company. No such suit, proceeding or other actions shall be settled or voluntarily dismissed, nor shall any party be released or excused of any claims of or liability for infringement, without the prior written consent of Lender, which consent shall not be unreasonably withheld.

(b) Upon the occurrence and during the continuation of an Event of Default, Lender shall have the right but not the obligation to bring suit or institute proceedings in the name of Company or Lender to enforce any rights in the Collateral, including any license thereunder, in which event Company shall at the request of Lender do such lawful acts and execute such documents as are reasonably required by Lender in aid of such enforcement. If Lender elects not to bring suit to enforce any right under the Collateral, including any license thereunder, Company agrees to use reasonable measures, whether by suit, proceeding or other action, to cause to cease any infringement of any right under the Collateral by any Person and for that purpose agrees to diligently maintain any action, suit or proceeding against any Person so infringing reasonably necessary to prevent such infringement.

8. Default and Remedies.

(a) Default. Company shall be deemed in default under this Security Agreement upon the occurrence and during the continuance of an Event of Default, subject to any applicable cure periods.

(b) Remedies. Upon the occurrence and during the continuance of any such Event of Default, Lender shall have the rights of a secured creditor under the UCC, all rights granted by this Security Agreement and by law, including the right to: (i) require Company to assemble the Collateral and make it available to Lender at a place to be designated by Lender; and (ii) prior to the disposition of the Collateral, store, process, repair or recondition it or otherwise prepare it for disposition in any manner and to the extent Lender deems appropriate. Company hereby agrees that twenty (20) days' notice of any intended sale or disposition of any Collateral is reasonable. In furtherance of Lender's rights hereunder, upon the occurrence and during the continuance of any such Event of Default, Company hereby grants to Lender an irrevocable, non-exclusive license, exercisable without royalty or other payment by Lender, and only in connection with the exercise of remedies hereunder, to use, license or sublicense any patent, trademark, trade name, copyright or other intellectual property in which Company now or hereafter has any right, title or interest together with the right of access to all media in which any of the foregoing may be recorded or stored.

(c) Application of Collateral Proceeds. The proceeds of the Collateral, or any part thereof, and the proceeds of any remedy hereunder (as well as any other amounts of any kind held by Lender at the time of, or received by Lender after, the occurrence of an Event of Default, subject to any applicable cure periods) shall, subject to the terms and conditions of the Subordination Agreement, be paid to and applied as follows:

(i) First, to the payment of reasonable costs and expenses, including all amounts expended to preserve the value of the Collateral, of foreclosure or suit, if any, and of such sale and the exercise of any other rights or remedies, and of all proper fees, expenses, liability and advances, including reasonable legal expenses and attorneys' fees, incurred or made hereunder by Lender;

(ii) Second, to the payment to Lender of the amount then owing or unpaid on such Lender's Note, and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon such Note;

(iii) Third, to the payment of other amounts then payable to Lender under any of the Transaction Documents; and

(iv) Fourth, to the payment of the surplus, if any, to Company, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

9. Miscellaneous.

(a) Notices. Except as otherwise provided herein, all notices, requests, demands, consents, instructions or other communications to or upon Company or Lender under this Security Agreement shall be in writing and faxed, mailed or delivered to each party to the facsimile number or its address set forth below (or to such other facsimile number or address as the recipient of any notice shall have notified the other in writing). All such notices and communications shall be effective (i) when sent by Federal Express or other overnight service of recognized standing, on the business day following the deposit with such service; (ii) when mailed, by registered or certified mail, first class postage prepaid and addressed as aforesaid through the United States Postal Service, upon receipt; (iii) when delivered by hand, upon delivery; and (iv) when faxed, upon confirmation of receipt.

Lender:

Capital Southwest Corporation
2900 Preston Road, Suite 700
Dallas, Texas 75230
Telephone: (972) 233-8242
Facsimile: (972) 233-7362

with a copy to:

Locke Lord Bissell & Liddell LLP
2200 Ross Avenue, Suite 2200
Dallas, TX 75201
Attn: Gina Betts
Telephone: (214) 740-8515
Facsimile: (214) 740-8800

Company:

Trax Holdings, Incorporated
14500 N. Northsight Blvd., Suite 113
Scottsdale, AZ 85260
Telephone: (480) 556-8711
Facsimile: (480) 596-3905

with a copy to:

Osborn Maledon, P.A.
2929 N. Central Ave., Suite 2100
Phoenix, AZ 85012
Attn: Chris Stachowiak
Telephone: (602) 640-9353
Facsimile: (602) 640-9050

(b) Termination of Security Interest. Upon the payment in full of all Obligations, the security interest granted herein shall terminate and all rights to the Collateral shall revert to Company. Upon such termination, Lender hereby authorizes Company to file any UCC termination statements necessary to effect such termination and Lender will, at Company's expense, execute and deliver to Company any additional documents or instruments as Company shall reasonably request to evidence such termination.

(c) Nonwaiver. No failure or delay on Lender's part in exercising any right hereunder shall operate as a waiver thereof or of any other right nor shall any single or partial exercise of any such right preclude any other further exercise thereof or of any other right.

(d) Amendments and Waivers. This Security Agreement may not be amended or modified, nor may any of its terms be waived, except by written instruments signed by Company and Lender. Each waiver or consent under any provision hereof shall be effective only in the specific instances for the purpose for which given.

(e) Assignments. This Security Agreement shall be binding upon and inure to the benefit of Lender and Company and their respective successors and assigns; provided, however, that Company may not sell, assign or delegate rights and obligations hereunder without the prior written consent of Lender.

(f) Cumulative Rights, etc. The rights, powers and remedies of Lender under this Security Agreement shall be in addition to all rights, powers and remedies given to Lender by virtue of any applicable law, rule or regulation of any governmental authority, any Transaction Document or any other agreement, all of which rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently without impairing Lender's rights hereunder. Company waives any right to require Lender to proceed against any person or entity or to exhaust any Collateral or to pursue any remedy in Lender's power.

(g) Payments Free of Taxes, Etc. All payments made by Company under the Transaction Documents shall be made by Company free and clear of and without deduction for any and all present and future taxes, levies, charges, deductions and withholdings. In addition, Company shall pay upon demand any stamp or other taxes, levies or charges of any jurisdiction with respect to the execution, delivery, registration, performance and enforcement of this Security Agreement. Upon request by Lender, Company shall furnish evidence satisfactory to Lender that all requisite authorizations and approvals by, and notices to and filings with, governmental authorities and regulatory bodies have been obtained and made and that all requisite taxes, levies and charges have been paid.

(h) Partial Invalidity. If at any time any provision of this Security Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

(i) Expenses. Company shall pay on demand all reasonable fees and expenses, including reasonable attorneys' fees and expenses, incurred by Lender in connection with custody, preservation or sale of, or other realization on, any of the Collateral or the enforcement or attempt to enforce any of the Obligations which is not performed as and when required by this Security Agreement.

(j) Construction. Each of this Security Agreement and the other Transaction Documents is the result of negotiations between, and has been reviewed by, Company and Lender and their respective counsel. Accordingly, this Security Agreement and the other Transaction Documents shall be deemed to be the product of all parties hereto, and no ambiguity shall be construed in favor of or against Company or Lender.

(k) Entire Agreement. This Security Agreement taken together with the other Transaction Documents, including but not limited to the Subordination Agreement, constitute and contain the entire agreement of Company and Lender and supersede any and all prior agreements, negotiations, correspondence, understandings and communications among the parties, whether written or oral, respecting the subject matter hereof.

(l) Other Interpretive Provisions. References in this Security Agreement and each of the other Transaction Documents to any document, instrument or agreement (i) includes all exhibits, schedules and other attachments thereto, (ii) includes all documents, instruments or agreements issued or executed in replacement thereof, and (iii) means such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified and supplemented from time to time and in effect at any given time. The words "hereof," "herein" and "hereunder" and words of similar import when used in this Security Agreement or any other Transaction Document refer to this Security Agreement or such other Transaction Document, as the case may be, as a whole and not to any particular provision of this Security Agreement or such other Transaction Document, as the case may be. The words "include" and "including" and words of similar import when used in this Security Agreement or any other Transaction Document shall not be construed to be limiting or exclusive.

(m) Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without reference to the conflicts of law rules thereof (except to the extent governed by the UCC).

(n) Counterparts. This Security Agreement may be executed by facsimile and in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Lender have caused this Security Agreement to be executed as of the day and year first above written.

COMPANY:

Trax Holdings, Incorporated

By: SW
Name: Steven Westberg
Title: CFO

LENDER:

Capital Southwest Corporation

By: GM
Name: Glenn M. Neblett
Title: Vice President

**ATTACHMENT 1
TO SECURITY AGREEMENT**

The Collateral shall include all of the assets of Trax Holdings, Incorporated, including, by way of illustration and not limitation, the following:

(a) All accounts, receivables, contract rights, leases, rights to payment, chattel paper, leases, instruments, notes, documents of title, money, deposit accounts, certificates of deposit, utility deposits or other security posted for utility service, investment property, intellectual property (including but not limited to trademarks and service marks), general intangibles, letter-of-credit rights, letters of credit, rights to payment arising out of the use of credit or charge cards, promissory notes, documents, electronic chattel paper, payment intangibles, software, computer programs and any supporting information provided in connection therewith, including but not limited to all source codes for all computer software, and all stock and all partnership and limited liability company membership interests owned by the Company (including but not limited to the stock of any subsidiary owned by the Company);

(b) All inventory, parts, raw materials, work-in-process or materials used or consumed in the business of the Company, whether in the possession of the Company, warehouseman, bailee or any other person or entity;

(c) All goods, machinery, furniture, fixtures and other equipment;

(d) All negotiable and nonnegotiable documents of title;

(e) All attachments, accessions, tools, parts, supplies, increases and additions to and all replacements, substitutes, extensions, renewals, modifications of and substitutions for any of the above-described property;

(f) All books and records pertaining to any of the above-described property, including any computer readable memory and any computer hardware or software necessary to process such memory;

(g) All products of any of the above-described property;

(h) All rights under contracts of insurance covering any of the above-described property; and

(i) All proceeds of any of the above-described property.

**SCHEDULE A
TO SECURITY AGREEMENT**

Patents

None

Trademarks

Owner	Serial Number – Registration Number	Mark
Trax Holdings, Incorporated	77219543, 6/29/07 filing date	TRAX
Trax Technologies, Inc.	76/696,994	TRAX and Design

Copyrights

None Registered

Domain Rights

Domain Name	Service Provider	Expiry Date of Domain
FederatedWebServices.com	Godaddy.com	8/22/2014
FederatedWebServices.net	Godaddy.com	8/22/2014
Filex.com	Godaddy.com	1/11/2018
PublicFed.net	Godaddy.com	8/22/2014
PublicFederation.net	Godaddy.com	8/22/2014
SecureFed.com	Godaddy.com	8/22/2014
TransportationSource.com	Godaddy.com	4/27/2018
TraxTech.com	Godaddy.com	2/12/2018
TraxTech.us	Godaddy.com	10/3/2014